**Request for Proposals for the State of Wisconsin**

**ETD0052**

**Third Party Administration of the Health Savings Account Benefit Program**

**ETD0053**

**Third Party Administration of the Section 125 Cafeteria Plan, Employee Reimbursement Account and Commuter Fringe Benefit Account**

**Programs**

Issued by the State of Wisconsin

Department of Employee Trust Funds

On behalf of the Group Insurance Board

 Release Date: April 18, 2024

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# General Information

## 1.1 Procuring and Contracting Agency

This Request for Proposals (RFP) is issued by the Wisconsin Department of Employee Trust Funds (Department) on behalf of the State of Wisconsin Group Insurance Board (Board). The Department is the sole point of contact for this RFP. The terms “ETF” and “Department” may be used interchangeably in this RFP, its attachments, and linked resources.

Vendors/Proposers are prohibited from contacting any person other than the individual listed below regarding this RFP. Violation of this requirement may result in the vendor/Proposer being disqualified from further consideration.

**Wisconsin Department of Employee Trust Funds**

Procurement Lead:

Beth Bucaida

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The Department administers the Wisconsin Retirement System (WRS), the Group Health Insurance Program (GHIP) for State of Wisconsin (State) employers and many local government entities, and a variety of other public employee benefit programs. (See Appendices 4 and 5 – State and Local Employer Group Rosters.) The WRS has consistently ranked among the top 10 largest public pension funds in the United States, providing retirement benefits for more than 678,000 current and former State and local government employees and their families on behalf of more than 1,500 employers. Participants in the WRS include public school teachers, current and former employees of State agencies and the Universities of Wisconsin, and employees of most State and local governments. All State WRS Members and those from participating local employers are eligible to enroll in the GHIP.

## Board and Department Authority

This solicitation is authorized under Wis. Stat. Chapter 40. The Department is overseen by independent governing boards and funds are held on behalf of Benefit Program beneficiaries in the Public Employee Trust Fund created and regulated under Wis. Stat. Chapter 40. Procurement statutes and rules that govern other State agencies may not be applicable. All decisions and actions under this RFP are solely under the authority of the Group Insurance Board (Board). On November 15, 2023, the Board delegated to the Department the authority to solicit proposals for one or more vendors to provide the services described herein. The Department is acting as an agent of the Board in carrying out any directives or decisions relating to this RFP, the Contract(s), and subsequent awards.

## Introduction

The purpose of this Request for Proposal (RFP) is to provide interested and qualified vendors with information to enable them to prepare and submit competitive Proposals to administer the following programs: Health Savings Account (HSA) Benefit Program, Section 125 Cafeteria Plan, Employee Reimbursement Account (ERA) Benefit Program, and Commuter Fringe Benefit Account Program. The Department intends to use the results of this solicitation to award one or more Contracts for the administration of the programs listed below. The Contract(s) will be administered and managed by the Department, with oversight by the State of Wisconsin Group Insurance Board (Board). This RFP document, its attachments, and the awarded Proposal(s) will be incorporated into the Contract(s).

There are two RFPs covered in this document (sometimes referred to herein in the singular as “the RFP” or “this RFP”):

**ETD0052** – Third Party Administration of Health Savings Accounts

**ETD0053** – Third Party Administration of the Section 125 Cafeteria Plan, which includes administration of:

* + Employee Reimbursement Accounts, including:
		- Health Care Flexible Spending Accounts
		- Limited Purpose Flexible Spending Accounts
		- Dependent Day Care Accounts (sometimes referred to as Dependent Care Flexible Spending Accounts)
	+ Commuter Fringe Benefit Accounts (Parking and Transit)
	+ Section 125 Cafeteria Plan Non-Discrimination Testing and Section 125 Cafeteria Plan Documentation for:
		- Health Savings Accounts
		- Health Care Flexible Spending Accounts
		- Limited Purpose Flexible Spending Accounts
		- Dependent Day Care Accounts
* Commuter Fringe Benefit Accounts (Parking and Transit) (non-discrimination testing does not apply)

Vendors may submit a Proposal for one or both of the RFPs listed above. Submitting a Proposal for both RFPs is not a requirement. If submitting a Proposal for ETD0053, the Proposer must submit a Proposal for all types of accounts/services listed under ETD0053 above.

The Board seeks to contract with one or more Contractors for the administration of the Benefit Programs who will:

* provide superior management and deliver high quality, high value services;
* provide accurate, timely, and responsive administration of all Benefit Program claims;
* follow federal and State rules and regulations pertaining to the Benefit Program;
* deliver high quality, high value services;
* ensure smooth operation of all benefit card and claim reimbursement transactions related to the Benefit Programs;
* provide advanced compliance and tax code guidance;
* provide timely, accurate, and straightforward reporting; and
* work in partnership with the Department to champion member communication, engagement, and education.

Proposers must be able to provide all services required for the Benefit Program(s) specified in this RFP and its attachments as applicable for the RFP(s) being responded to.

## Section 125 Cafeteria Plan

* + 1. As established in accordance with Internal Revenue Code (IRC) Section 125, the State of Wisconsin “Cafeteria Plan” provides Employees with the option to designate pre-tax dollars to pay for certain qualified benefits. The Cafeteria Plan includes Health Savings Account, Health Care Flexible Spending Account, Limited Purpose Flexible Spending Account, Dependent Day Care Account benefit offerings. Under Contract ETD0053, the Contractor will be responsible for:

a. **Non-Discrimination Testing.** The Contractor who executes a Contract pursuant to RFP ETD00053 will conduct all applicable Section 125 Cafeteria Plan non-discrimination testing required by the IRS for the programs included in RFPs ETD0052 and ETD0053 (not including Commuter Fringe Benefit Accounts for which the IRS does not require non-discrimination testing). The Contractor will work with the Department’s Insurance Administration System (IAS) vendor, Payroll Centers, and potentially other vendors during the Benefit Program implementation process to determine a schedule and process for the testing. The Department will set a due date for the test results during the implementation, and then will provide a due date annually along with other reporting due dates for subsequent years. (See Section 185 Reporting Requirements in Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and Section 180 Reporting Requirements in Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program.)

b. **Plan Documentation.** The Contractor who executes a Contract pursuant to RFP ETD00053 will prepare all Section 125 Cafeteria Plan materials required by the IRS, including:

* Section 125 Cafeteria Plan Document (also includes the component plans: health, life, vision, and dental insurance benefit offerings). See the Department’s current Section 125 Cafeteria Plan Document at <https://etf.wi.gov/publications/et-1904>.
* Section 125 Cafeteria Plan Summary Plan Description
* Plan Document for the Commuter Fringe Benefit Program
* Non-discrimination testing instructional and reference documentation

## HSA Benefit Program

1. The State instituted a High Deductible Health Plan (HDHP) and Health Savings Account (HSA) benefit offering in 2015. The HSA Benefit Program is a benefit program established for eligible State Employees and Retirees under the Cafeteria Plan. The HSA Benefit Program is authorized under IRC Section 125 and 223 and Wis. Stat. s. 40.515. Under Wis. Stat. s. 40.515 for State Employees, the HDHP requires dual enrollment with the State sponsored HSA benefit option, and vice versa. Due to the dual enrollment requirement under Wisconsin Statutes and Internal Revenue Service (IRS) “other health coverage” rule, a State Employee with “other health coverage” is not eligible for the State dual HDHP and HSA benefit option.
2. The HSA Benefit Program offers State Employees the ability to elect pre-tax deductions for qualified health care expenses. The HSA Benefit Program currently offers debit card access to funds, direct pay to providers, and reimbursement of expenses.
3. Actively employed and enrolled Participants do not pay a fee to participate in the HSA Benefit Program. Fees are paid by the employer. Employees who are no longer covered under an HDHP but keep their State-sponsored HSA open, pay a nominal monthly HSA service fee, which is deducted by the Contractor from the Participant’s HSA and paid to the Contractor.
4. Currently, the HSA Benefit Program is available to eligible Employees of State agencies, the Universities of Wisconsin, the University of Wisconsin Hospitals and Clinics Authority, Beyond Vision, Wisconsin Economic Development Corporation, Wisconsin Housing and Economic Development Authority, and Fox River Navigational System Authority. See Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program for detailed eligibility information.
5. Approximately 95,000 Employees at locations throughout the State are currently eligible to enroll in the HSA Benefit Program as of January 1, 2024. As of December 31, 2023, there were approximately 14,681 Employees enrolled in the HSA Benefit Program.

***HSA Benefit Program Annual Enrollment (# of Participants)***

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2020** | **2021** | **2022** | **2023** | **2024\*** |
| Total HSA Program Participation | 10,286  | 11,518  | 13,577  | 14,687  | 13,806  |

\*2024 HSA program participation is based on January 2024 enrollments only.

* In 2023, there was a total of $43.5 million dollars deposited into Participant HSAs.
* As of January 1, 2024, the average Participant HSA balance was $3,113.
* As of January 1, 2024, approximately 27% of HSA Participants had funds invested in the investment offerings.

## ERA Benefit Program

1. The ERA Benefit Program is an optional benefit program under the Cafeteria Plan established for eligible State Employees and includes:
* Health Care Flexible Spending Accounts
* Limited Purpose Flexible Spending Accounts
* Dependent Day Care Accounts (also known as Dependent Care FSA)
1. The ERA Benefit Program was established by 1987 Wisconsin Act 399, as authorized under IRC Sections 105, 125, and 129 and Wis. Stat. ss. 40.85-40.875. In 2015, the State instituted the State-sponsored High Deductible Health Plan (HDHP)**,** Health Savings Account (HSA) and Limited Purpose FSAbenefit offerings.
2. The ERA Benefit Program offers State Employees the ability to elect pre-tax deductions for qualified health care and dependent day care expenses. The program currently offers debit card access to funds, directpay to providers, and reimbursement of expenses.
3. Currently, the ERA Benefit Program is available to: most full-time and part-time State Employees; eligible Employees of the Universities of Wisconsin, University of Wisconsin Hospitals and Clinics Authority; Beyond Vision; Wisconsin Economic Development Corporation; Wisconsin Housing and Economic Development Authority; and Fox River Navigational System Authority. Employees who are classified as fellows, scholars, and research assistants, as well as limited term Employees, student hourlies, per diems, and other temporary Employees are not eligible.
4. Approximately 95,000 Employees at locations throughout the State are currently eligible to enroll in the ERA Benefit Program. See enrollment numbers below.

***ERA* Benefit Program Annual Enrollment (# of Participants)**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2020** | **2021** | **2022** | **2023** | **2024\*** |
| Health Care FSA Participation | 19,294 | 19,051 | 19,535 | 19,556 | 14,880 |
| Limited Purpose FSA Participation | 1,081 | 1,085 | 1,160 | 1,135 | 620 |
| Dependent Day Care Account Participation | 3,929 | 3,416 | 3,493 | 3,627 | 3,490 |
| Total ERA Program Participation | 24,304 | 23,552 | 24,188 | 24,318 | 18,990 |

\*2024 participation is based on January 2024 enrollments only and does not include carryover accounts for FSA programs

1. ERA Benefit Program debit card transactions and manual claims from State Participants averaged 25,863 per month in 2023. This number includes claims submitted via debit card, mobile app, online account, fax, or mail.

***ERA Benefit Program Annual Claims Experience***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2020** | **2021** | **2022** | **2023** |
| Health Care FSA Total Claims | 314,745 | 287,865 | 277,139 | 290,031 |
| Limited Purpose FSA Total Claims | 2,024 | 2,084 | 2,254 | 1,843 |
| Dependent Day Care Account Total Claims | 32,558 | 21,271 | 19,515 | 18,482 |
| ERA Program Total Claims | 349,327 | 311,220 | 298,908 | 310,356 |

1. The total volume of ERA Benefit Program manual claims from State Participants to the current third-party administrator currently averages 5,490 per month. Approximately 65,880 manual claims were processed in 2023. This number includes claims submit via mobile app, online account, fax, or mail.

***ERA Benefit Program Annual Manual Claims Experience***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2020** | **2021** | **2022** | **2023\*** |
| Health Care FSA Manual Claims | 55,729 | 51,528 | 53,784 | 43,954 |
| Limited Purpose FSA Manual Claims | 724 | 802 | 847 | 735 |
| Dependent Day Care FSA Manual Claims | 19,862 | 21,276 |  20,085 | 21,191 |
| Total ERA Manual Claims | 76,315 | 73,606 | 74,716 | 65,880 |

\*Claims listed for 2023 are as of December 31, 2023 and do not include claims submitted during the runout period.

## Commuter Fringe Benefit Program

1. The Commuter Fringe Benefit Program is an optional benefit program established for eligible State Employees and includes:

* Parking Accounts
* Transit Accounts

2. The Commuter Fringe Benefit Program is a qualified transportation benefit plan authorized under IRC Section 132. It was implemented for State Employees in 2002. The Commuter Fringe Benefit Program offers State Employees the ability to electpre-tax deductions for qualified parking expenses and mass transit expenses. The Commuter Fringe Benefit Program currently offers direct pay to parking facilities, purchase of bus passes, and reimbursement of qualified transportation expenses.

3. The Commuter Fringe Benefit Program is available to all active full-time and part-time State Employees, including limited-term Employees. University of Wisconsin Hospitals and Clinics Authority employees, Retirees, continuants, spouses, and dependent children are not eligible to participate.

4. Approximately 85,000 Employees are currently eligible to enroll in the Commuter Fringe Benefit program. Some agencies do not have Employees who use the benefit because they are located in small metropolitan or rural areas where there is no mass transit and parking is free, or parking is available in a State-owned facility where parking fees are already deducted on a pre-tax basis. As of December 31, 2023, there were 3,159 Employees enrolled in the Commuter Fringe Benefit Program.

***Commuter Fringe Benefit Annual Enrollment***

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2020** | **2021** | **2022** | **2023** | **2024\*** |
| Parking Account Participation | 1,960 | 1,988 | 2,293 | 2,428 | 857 |
| Transit Account Participation | 718 | 717 | 747 | 731 | 161 |
| Total Commuter Fringe Benefit Participation | 2,678 | 2,705 | 3,040 | 3,159 | 1,018 |

\*2024 participation is based on January 2024 enrollments only.

5. The total volume of Commuter Fringe Benefit Program debit card transactions and manual claims from State Participants averaged 1,864 per month in 2023. (This number includes claims submitted via debit card, mobile app, online account, fax, and mail.)

***Commuter Fringe Benefit Annual Claim Experience (debit card and manual claims)***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2020** | **2021** | **2022** | **2023** |
| Parking Account Total Claims | 13,624 | 14,201 | 22,456 | 21,648 |
| Transit Account Total Claims | 1,073 | 639 | 875 | 721 |
| Total Commuter Fringe Benefit Claims | 14,697 | 14,840 | 23,331 | 22,369 |

1. The total volume of Commuter Fringe Benefit Program manual claims from State Participants averaged 704 per month in 2023. (This number includes claims submitted via mobile app, online account, fax, or mail.)

***Commuter Fringe Benefit Annual Manual Claims Experience***

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **2020** | **2021** | **2022** | **2023** |
| Parking Account Manual Claims | 6,378 | 5,681 | 8,302 | 7,674 |
| Transit Account Manual Claims | 2,410 | 615 | 914 | 770 |
| Total Commuter Fringe Benefit Manual Claims | 8,788 | 6,296 | 9,216 | 8,444 |

## Administrative Expenses

Administrative Expenses charged to the Benefit Programs for the Department’s costs and the Contractor's fees are funded from three sources: account forfeitures, interest income, and fees contributed by each State agency. Wis. Stat. s. 40.875(1)(a) authorizes the Department to determine the fee amount that is equal to each State agency's share of the program costs. State agencies contribute a monthly fee for each health insurance contract that has an employer-paid share reported to the Department. The state agency contributed monthly fee is separated out to pay the administrative fees of all the various benefit options, including the HSA, ERA, and Commuter Fringe Benefit Programs.

## Future Offerings

In the future, the Department may offer the Benefit Programs to local employer groups to offer to their employees. (See Appendix 5 – Local Employer Group Roster.) Contractors will be able to renegotiate Contract pricing if expansion of the Benefit Programs to local employer groups is required by the Board. An estimated 14,000 local members participate in the local HDHP.

## Benefit Program Administration

1. The Contractor is responsible for enrollment services, including development, production, and distribution of all enrollment materials, online and paper enrollment processing, Benefit Program communication to Employees, Retirees, and Employers, as well as claims processing and reimbursement services. Contractor must provide and distribute enrollment materials using multiple methods, e.g., by email, mail, in person at health fairs and Open Enrollment meetings.
2. The Contractor is required to work with Payroll Centers. There are currently fifty-eight (58) State agencies that participate in the Benefit Programs, which operate under nine (9) different Payroll Centers. The majority of State agencies are administered by the Department of Administration through one (1) central payroll processing system. The Universities of Wisconsin system administration manages payroll functions for campuses across the State. See Appendix 3 – State Employer Organizational Relationship Overview.
3. The Contractor must participate in health benefit fairs sponsored by Employers in their service area. In 2023 there were 15 onsite and 3 virtual health benefit fairs.
4. The Contractor must provide a toll-free customer service line dedicated to the State Benefit Programs that operates business hours of 7:00 a.m. to 6:00 p.m. CST/CDT, Monday through Friday. Contractor’s customer service department responds to Participant's inquiries regarding account balances, enrollment, Benefit Program information, forms completion, and complaints. The volume of calls from State Participants to the current Benefit Program contractor’s customer service department averages 1,807 calls per month. Approximately 20,985 calls were answered in 2023. (This number includes calls related to HSA, ERA, and Commuter Fringe Benefit accounts.) The Contractor must document all pertinent call details, including the name of the Participant and the account in question, and classify the types of inquiries received by the customer service department. The Contractor must capture call activity on a monthly basis and report it to the Department Quarterly.
5. Participants must have access to their personal account information 24 hours a day, 7 days a week, via the Participant online account or mobile application. The online account and/or mobile application allows Participants to view their deposits, claims status, account balances, and additional account information.
6. The Contractor must provide dedicated support staff for up to twenty-four (24) hours per week during the implementation period, and during key annual projects (e.g., the annual Open Enrollment Period, the annual FSA substantiation process), if requested by the Department. The Contractor must provide a dedicated support staff person during the Department’s normal business hours, 8:00 a.m. – 4:30 p.m. CST/CDT, Monday through Friday, except DEPARTMENT-observed holidays, for the first four (4) months after the go-live date if requested by the Department. Such personnel will be provided at no additional cost to the Department.
7. The Contractor is required to conduct Quarterly customer service quality audits and an annual customer satisfaction survey for its State Benefit Program book of business.
8. The Contractor is required to have a complaint/grievance procedure in place, as stipulated in Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program, to address Participant problems or complaints regarding claims, eligibility, change in status, or coverage issues.
9. The Contractor must provide technical and compliance expertise to the Department to assure compliance with applicable IRS codes and regulations and alert the Department when potential non-compliance is noted. The Contractor must notify the Department of any state and federal changes that may affect the Benefit Program.
10. The Contractor must provide any necessary technical information and assistance in the collection, preparation, and filing of any statistical or other Benefit Program data that may be required by the IRS or other regulatory agency.
11. The Contractor must provide the Department and the Payroll Centers with online administrative account access to the Contractor’s Participant information. Payroll Center staff access will be at the discretion of the Department.
12. Performance standards for selected business activities are required by the Contractor (see Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program). The Contractor must provide a Quarterly report to the Department detailing Benefit Program statistics in order to document that the performance standards have been met.
13. The Contractor must work with the Department’s Insurance Administration System (IAS) vendor and nine (9) separate Payroll Centers to accurately enroll Participants and accurately record enrollments, elections, level of coverage, eligibility, and contributions.
14. The Payroll Centers deduct Participant contributions from payroll and then report contribution amounts to the Contractor and the Department’s IAS vendor via secure electronic file transmission. The election files are loaded on the Contractor’s processing systems and amounts are applied to the Participant’s Benefit Program account. Participant contributions that are deducted from payroll are sent via Automated Clearing House (ACH) from the Payroll Center to the Contractor to properly load funds to the Participant’s Benefit Program Account.
15. The Contractor must perform all administrative and record-keeping functions necessary to ensure accurate disbursement of Participant contributions and accurate accounting of Participant accounts. The Contractor must maintain accounting records by Benefit Program type, recording all fund transactions between Payroll Centers and the Contractor, and at the Employee level, recording transactions for each Participant. The Contractor will conduct a monthly reconciliation of accounts and send the resulting report to the Department for review.
16. The Contractor must conduct internal audits of individual Contractor departments involved in the oversight of the Benefit Program(s) in order to validate controls, processes, systems, and accuracy. The Contractor must provide monthly account reconciliation to the Department.
17. On a periodic basis, the Department will schedule and arrange for the Department or an independent certified public accountant to review the Contractor’s Contract compliance, as determined by the Department. The scope will be determined by the Department and may include record-keeping, Participant account activity, claims processing, administrative performance standards, and any other areas relevant to the Benefit Program(s). See Section 6.0 of Appendix 2 – Department Terms and Conditions.
18. The Department is audited by the State of Wisconsin Legislative Audit Bureau annually, as required by Wis. Stat. s. 13.94(1)(dd). The Department Terms and Conditions (Appendix 2) describes the Contractor’s obligation to assist with such audits.
19. Detailed information regarding Benefit Program administration is included in Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program.

## Enrollment

1. Dates for the annual Open Enrollment Period are set by the Board each year. The 2025 Plan Year Open Enrollment Period is September 30, 2024 through October 25, 2024. The Benefit Program Plan Year is from January 1 through December 31.
2. When the Department’s IAS is implemented, Employees and Retirees will enroll for benefits using the IAS, via My Insurance Benefits during the Open Enrollment Period. Enrollment files will be transmitted between the Department’s IAS vendor and the Contractor. Even after the IAS is implemented, the Contractor must be able to provide, accept, and process paper enrollments.
3. In the event that the Department’s IAS is not implemented before a Contract is in effect, the Contractor must work with the Payroll Centers, using their enrollment files, to process enrollments. All file specifications will be transmitted between the Contractor and the Payroll Centers.
4. The Contractor is responsible for receiving and processing all enrollments. It is the responsibility of the Contractor to appropriately process all enrollments, changes, and terminations throughout the Plan Year.
5. Following Open Enrollment, Payroll Centers produce a full file of enrollment contribution data of salary reductions elected by Employees, in a file format established in conjunction with the Contractor and the Department, see Appendix 11 – Enrollment and Contribution File Specifications. Throughout the Plan Year, the Payroll Centers will provide the Contractor weekly files that include changes only. All Payroll Centers are required to submit files to the Contractor using the established uniform file formats.
6. The electronic eligibility file also utilizes a uniform file format. The eligibility file lists all Employees and Retirees who are enrolled in a Benefit Program. Payroll Centers will provide the eligibility file to the Contractor via SFTP. When the Department implements its IAS, the eligibility file will be provided to the Contractor by the Department’s IAS vendor on a regular basis. (See Section 1.13 below.)
7. The Contractor must issue a debit card to each new Participant upon enrollment.

8. Detailed information regarding Contractor’s enrollment responsibilities is included in the Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program.

## Data Warehouse Vendor

The Board contracted with a claims data warehouse vendor for data warehouse services and analytic tools. Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program, Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program, Sections 145F Data Warehouse File Requirements and 145G Data Warehouse File Submission Quality include Contractor requirements related to data submissions and data integration with the Department’s data warehouse. (See Appendix 9 – Data Supplier Agreement (sample)).

## Insurance Administration System Vendor

The Department is in the process of implementing a new insurance administration system (IAS) to handle eligibility and enrollment. The Contractor(s) awarded a Contract(s) under RFPs ETD0052-53 will be required to submit data to and receive data from the Department and/or the Department’s insurance administration system at no additional cost to the Department. Other Contractor requirements for integration and use of the Department’s IAS are specified in Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program.

## Additional Resources

Table 1 below provides links to additional resources and background information. This information is provided to assist Proposers in completing an RFP response.

Table 1. Additional Resources

|  |  |
| --- | --- |
| Title | Web Address |
| Employee Trust Funds Website | <http://etf.wi.gov> |
| Employee Trust Funds Website – Pre-Tax Savings Accounts Overview | <https://etf.wi.gov/its-your-choice/2024/state-employee-and-retiree-health-plan-supplemental-benefits/pre-tax-savings-accounts> |
| Optum Online Landing Page for the State of Wisconsin | <https://myoptumfinancial.com/etf>  |
| Last RFPs and Current Contracts | <https://etfonline.wi.gov/etf/internet/RFP/HSA-ERA-Fringe/index.html>  |
| Wisconsin Administrative Code: Chapter ETF 11 Appeals | <http://docs.legis.wisconsin.gov/code/admin_code/etf/11>  |
| Wisconsin State Statutes Chapter 40 | <https://docs.legis.wisconsin.gov/statutes/statutes/40> |
| ETF Insurance Complaint Information | <https://etf.wi.gov/resource/etf-insurance-complaint-form>  |
| Section 125 Cafeteria Plan Document | <https://etf.wi.gov/publications/et-1904>  |
| Section 125 Cafeteria Plan Summary Plan Description (SPD) | <https://etf.wi.gov/publications/et-1905>  |
| Transit and Parking Plan Document | <https://etf.wi.gov/publications/et-1906>  |

## Definitions and Acronyms

Words and terms shall be given their ordinary and usual meanings. Where capitalized in this RFP, the following definitions and acronyms shall have the meanings indicated unless otherwise noted. The meanings are applicable to the singular, plural, masculine, feminine, and neuter forms of the words and terms.

**Benefit Program** refers to the programs included in this RFP, i.e., Health Savings Accounts (HSA) Benefit Program, Employee Reimbursement Accounts (ERA) Benefit Program, Commuter Fringe Benefit Program, Dependent Day Care Account Program.

**Board** means State of Wisconsin Group Insurance Board.

**Business Day** means each Calendar Day except Saturday, Sunday, and official State of Wisconsin holidays (see also: Calendar Day, Day).

**Cafeteria Plan** or **Section 125 Cafeteria Plan** refers to the plan under Internal Revenue Code Section 125 which allows for payment of the cost of certain benefits to be paid on a pre-tax basis.

**Calendar Day** refers to a period of twenty-four (24) hours starting at midnight.

**Calendar Year** means the time period from January 1 to December 31.

**Commuter Fringe Benefits** means a qualified pre-tax savings transportation benefit program, such as a parking or transit account.

**Confidential Information** means all tangible and intangible information and materials being disclosed in connection with the Contract, in any form or medium without regard to whether the information is owned by the State of Wisconsin, a Contractor, or by a third party, which satisfies at least one of the following criteria: (i) Individual Personal Information under Wis. Admin. Code ETF § 10.70(1); (ii) Personally Identifiable Information under Wis. Stat. § 19.62(5); (iii) Protected Health Information under HIPAA, 45 CFR 160.103; (iv) proprietary information; (v) non-public information related to the State of Wisconsin’s employees, customers, technology (including data bases, data processing and communications networking systems), schematics, specifications, and all information or materials derived therefrom or based thereon; (vi) information expressly designated as confidential in writing by the State of Wisconsin; (vii) all information that is restricted or prohibited from disclosure by State or federal law, including Medical Records as governed by Wis. Stat. § 40.07, and Wis. Admin. Code ETF 10.01(3m); or (viii) any material submitted by the Proposer in response to this RFP that the Proposer designates confidential and proprietary information and which qualifies as a trade secret, as provided in Wis. Stat. § 19.36(5) or material which can be kept confidential under the Wisconsin public records law.

**Contract** means the written agreement resulting from the successful Proposal and subsequent negotiations that incorporates, among other documents, this RFP and its exhibits, appendices and forms, the successful Proposer’s Proposal as accepted by the Department, the final, applicable Program Agreement(s), an updated and executed Appendix 1 – Pro Forma Contract by Authorized Board (sample), its exhibits, subsequent amendments, and other documents as agreed upon by the Department and the Contractor.

**Contractor** means the Proposer(s) who is/are awarded a Contract(s) pursuant to this RFP and is a party to a final Contract.

**Cost Proposal** means the document submitted by Proposer that includes Proposer’s costs to provide the Services. The Microsoft Excel workbook attached as FORM H – Cost Proposal Workbook is the required document all Proposers must submit. The Cost Proposal is described in Section 8 Cost and elsewhere in this RFP.

**Day** means Calendar Day unless otherwise indicated.

**Deductible** means a predetermined amount of money that a Participant must pay before benefits are eligible for payment by their insurance.

**Department** or **ETF** means the State of Wisconsin Department of Employee Trust Funds.

**Dependent Day Care Account** means a pre-tax benefit account that allows for tax-free reimbursement of eligible day care expenses or other custodial care for Qualified Dependents.

**Employee** means an eligible employee of the State of Wisconsin as defined under [Wis. Stat. § 40.02 (25) (a), 1., 2., or (b), 1m., 2., 2g., or 8](https://docs.legis.wisconsin.gov/statutes/statutes/40/I/02/25). An employee of the State of Wisconsin as defined under [Wis. Stat. § 40.02 (25) (b), 1m. or 2](https://docs.legis.wisconsin.gov/statutes/statutes/40/I/02/25) does not qualify as an Employee for the Commuter Fringe Benefit program.

**Employee Reimbursement Account** or **ERA** means the Health Care Flexible Spending Account, Limited Purpose Flexible Spending Account, and Dependent Day Care Account programs. ERA is also known as Flexible Spending Account (FSA).

**Employer** means an eligible State of Wisconsin agency as defined in [Wis. Stat. § 40.02 (54)](https://docs.legis.wisconsin.gov/statutes/statutes/40/I/02/54). University of Wisconsin Hospitals and Clinics do not qualify as an Employer for Commuter Fringe Benefits.

**FSA** means Flexible Spending Account.

**GHIP** means the State of Wisconsin Group Health Insurance Program.

**HDHP** means High Deductible Health Plan.

**Health Care Flexible Spending Account** or **Health Care FSA** is an account that allows an Employee to set aside tax-free dollars each year for health care expenses not covered by insurance. A Participant may use Health Care FSA funds to pay for eligible health care expenses incurred by the Participant or the Participant’s Qualified Dependent(s).

**Health Savings Account** or **HSA** is an account that allows a Participant to set aside tax-free dollars each year for health care expenses not covered by insurance. The Participant may use these funds to pay for eligible health care expenses incurred by the Participant or the Participant’s Qualified Dependents.

**Insurance Administration System** or **IAS** is the DEPARTMENT’S benefit administration system used to manage enrollment and eligibility in the Benefit Programs.

**HIPAA** means the Health Insurance Portability and Accountability Act of 1996. See Appendix 2 – Department Terms and Conditions.

**IRS** means Internal Revenue Service.

**Limited Purpose Flexible Spending Account** or **LPFSA** is an account that allows an Employee to set aside tax-free dollars each year for vision, dental and post-deductible expenses not covered by insurance. The Participant may use these funds to pay for eligible health care expenses incurred by the Participant or the Participant’s Qualified Dependents.

**Mandatory** means the least possible threshold, functionality, degree, performance, etc. needed to meet a compulsory requirement.

**Open Enrollment Period** means the enrollment period referred to in Department materials that is available at least annually to Employees allowing them the opportunity to enroll for coverage in benefit plans offered by the Board. Dates for the annual open enrollment period are set by the Board each year and are typically in September – October. Program and benefit changes are primarily disseminated to employees and Participants via employer groups and the Department’s website.

**Participant(s)** means the Employee or any of the Employee’s Qualified Dependent(s) who have been specified by the Department for enrollment and are entitled to participate in the Benefit Program.

**Payroll Center** means thebenefits department of a participating State Employer that is responsible for completing business processes associated with Benefit Program enrollment and changes, payroll deductions*,* leave benefit administration, and terminations. See Appendix 3 – State Employer Organizational Relationship Overview.

**Plan Year** means the twelve (12) month period of coverage under a Benefit Program (e.g., January 1 through December 31).

**Program Agreement** means the specific agreement that describes the Benefit Programs offered to eligible Employees, which becomes part of the Contract(s). See Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program.

**Proposal** means the complete response of a Proposer submitted in the format specified in this RFP, which sets forth the Services offered by a Proposer and Proposer’s pricing for providing the Services.

**Proposer** means any individual, firm, company, corporation, or other entity that submits a Proposal in response to this RFP.

**Qualified Dependent** means any individual who is a tax dependent of the Participant as defined in Internal Revenue Code Section 152; however, for Health Care FSA and LPFSA, a Qualified Dependent is defined as set forth in Internal Revenue Code Section 105(b) including any child as defined in Internal Revenue Code Section 152(f)(1) of the Participant who, as of the end of the taxable year, has not attained age twenty-seven (27); for HSA, a Qualified Dependent is defined in IRS Publication 502 including any child of the Participant who under the age of twenty-four (24); and for Dependent Day Care Account program purposes, a Qualified Dependent also means an individual described in Internal Revenue Code Section 21(e)(5).

**Quarterly** means a period consisting of every consecutive three (3) months beginning January.

**Reimbursement Request** means a hard copy paper or electronic request submitted by the Participant to the Contractor with all pertinent documentation regarding an eligible expense for monetary reimbursement from the Participant’s pre-tax Benefit Program account.

**Retiree** means a State member who is retired and receives an annuity or lump sum benefit from the Wisconsin Retirement System.

**RFP** means Request for Proposals.

**Services** means all work performed, and labor, actions, recommendations, plans, research, and documentation provided by the Contractor necessary to fulfill that which the Contractor is obligated to provide under the Contract.

**State** means the State of Wisconsin.

**State Statutes** or **ss** or **Wisconsin Statutes** or **Wis. Stats.** means Wisconsin State Statutes referenced in this RFP, viewable at: <http://www.legis.state.wi.us/rsb/stats.html>.

**Subcontractor** means a person or company hired by the Contractor to perform a specific task or provide Services as part of the Contract.

**Universities of Wisconsin** means the Board of Regents of the University of Wisconsin System with locations across the State. See Appendix 4 – State Employer Group Roster (ET-1404).

**WRS** means the Wisconsin Retirement System.

Also see the definitions in Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program.

## Clarification of Specifications and Requirements

Vendors must submit all questions concerning this RFP via email (no phone calls) to ETFsmbProcurement@etf.wi.gov. The subject line of the email must include “ETD0052-53” and the email must be received on or before the due date identified in Section 1.19 Calendar of Events, Proposer Questions. Vendors are expected to raise any questions they have concerning this RFP at this point in the process. Do not include any information within your questions that would identify your company as all submitted questions will be shared publicly on the Department’s website.

Vendors are encouraged to submit any assumptions or exceptions during the above process. All assumptions and exceptions listed must contain a rationale as to the basis for the assumption/exception. The Department will inform vendors what assumptions/exceptions are acceptable to the Department.

Questions must be submitted as a Microsoft Word document (not a .pdf or scanned image) to ETFsmbProcurement@etf.wi.gov using the table included below. Copy and paste this table into your Word document and add rows as necessary.

Table 2. Format for Submission of Clarification Questions

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Q # | RFP / Appendix # and Section # | RFP Page | Question/Rationale | Department Answer |
| Q1 |  |  |  |  |
| Q2 |  |  |  |  |
| Q3 |  |  |  |  |

Q# = Proposer’s question. Leave the “Department Answer” column blank as this is where the Department will enter its replies.

Proposer’s e-mail must include the name of the Proposer’s company and the person submitting the question(s). A compilation of all vendor questions and the Department’s answers, along with any RFP updates, will be posted to the Department’s website at <https://etf.wi.gov/node/35441> on or about the date indicated in Section 1.19 Calendar of Events, Department Posts Responses to Proposer Questions.

If a vendor discovers any significant ambiguity, error, conflict, discrepancy, omission, or other deficiency in this RFP, the vendor should, upon discovery of such issue, send an email to ETFsmbProcurement@etf.wi.gov with “ERROR re ETD0052-53” stated in the email subject line and explain such error. **Failure to raise any such cognizable error immediately but no later than before the Proposal submission deadline will result in a bar on subsequently raising the issue.**

If it becomes necessary to update any part of this RFP, updates will be published on the Department’s website listed above.

## Vendor Conference

There is no scheduled vendor conference for this RFP. A vendor conference is an opportunity for vendors to ask questions. If the Department decides to hold a Proposer conference, a notice will be posted on the Department’s website at <https://etf.wi.gov/node/3544>. Note: Unless this notice is posted, no conference will be held.

## Reasonable Accommodations

The Department will provide reasonable accommodations, including the provision of informational material in an alternative format, for qualified individuals with disabilities, upon request.

## Calendar of Events

Listed below are dates by which actions related to this RFP must be completed. If the Department finds it necessary to change any of the dates and times listed below, it will do so by posting an addendum to this RFP on the Department’s website (listed above). No other formal notification will be issued for changes in the estimated dates.

Table 3. Calendar of Events

|  |  |
| --- | --- |
| Date | Event |
| April 18, 2024 | Department issues RFP (Release Date) |
| May 23, 2024 | - Vendor questions due (submit to the Department at ETFsmbProcurement@etf.wi.gov)- Vendor letter of intent to submit a Proposal requested (submit to the Department at ETFsmbProcurement@etf.wi.gov) |
| July 5, 2024\* | The Department posts responses to vendor questions at <https://etf.wi.gov/node/35441>  |
| Thursday, August 1, 2024 by 2:00 p.m. central time | **Proposals Due** (Proposals must be uploaded via BOX) |
| October-November, 2024\* | Proposer presentations to RFP evaluation team  |
| February 19, 2025 | Group Insurance Board meeting  |
| February - May 2025\* | Contract(s) negotiated and signed |
| May 1, 2025 | SOC 2 Type 2 Report and Letter of Attestation (email to the Department at ETFsmbProcurement@etf.wi.gov if not included with the Proposal) |
| May – September, 2025 | Implementation |
| September – October 2025\* | Open Enrollment Period for the 2026 Plan Year |
| January 1, 2026 | Members’ pre-tax savings account benefits begin under new Contract(s) |

***\** All due dates are firm except those with an asterisk.**

**Note:** It is the desire of the Department that the Contract(s) be signed prior to the end of May 2025 as the Contractor(s) will assist with the implementation, transition, and member communication involved with any Benefit Program structure changes for the 2026 Plan Year. All such work must be completed prior to the commencement of the Open Enrollment Period for the 2026 Plan Year.

## Contract Term

One or more separate Contracts may be awarded pursuant to this RFP. The term for each Contract for providing Services will commence on the date a Contract is executed and extend through December 31, 2028 (Initial Term), unless terminated earlier per the terms of the Contract.

The Board retains the option, by mutual agreement of the Board and the Contractor, to renew the Contract for two (2) additional two (2) year periods extending the Contract through December 31, 2032, subject to the satisfactory negotiation of terms, including pricing. Extensions may be for a shorter period of time if the Board so chooses. Extensions beyond this may occur as needed for 1 year (or shorter) to transition services to another service provider during a transition period.

**Note:** The Contractor(s) will assist the Department with implementation, transition, and Participant communication prior to Services being made available for the 2026 Plan Year. This implementation and transition period will begin after a Contract is executed and continue until implementation and transition are completed.

## No Obligation to Contract

The Board reserves the right to cancel this RFP for any reason prior to the issuance of a notice of intent to award a Contract(s). The Board does not guarantee to purchase any specific dollar amount. Proposals that stipulate that the Board will guarantee a specific quantity or dollar amount will be disqualified.

##  WI Department of Administration eSupplier Registration

The Wisconsin Department of Administration’s eSupplier Portal is available to all businesses and organizations that want to do business with the State. The eSupplier Portal is not being used for this solicitation for the submission of any Proposer documents. The eSupplier Portal allows vendors to see details about pending invoices and payments, allows vendors to receive automatic, notices of bid opportunities, and, in some cases, allows vendors to respond to State solicitations.

For more information on the eSupplier Portal, and to register, go to: <https://eSupplier.wi.gov>. This is not a Mandatory requirement.

## Retention of Rights

All Proposals become the property of the Department upon receipt. All rights, title and interest in all materials and ideas prepared by the Proposer for the Proposal, and provided to the Department, will be the exclusive property of the Department and may be used by the Department and State at its discretion.

# Preparing and Submitting a Proposal

## Incurring Costs

Neither the State nor the Department are liable for any costs incurred by vendors in replying to this RFP, making requested oral presentations, or demonstrations.

## Letter of Intent

A letter of intent indicating that a vendor intends to submit a response to this RFP is *highly encouraged* (see due date in Section 1.19 Calendar of Events). In the letter, identify the vendor’s organization/company name; list the name, location, telephone number, and email address of one or more persons authorized to act on the vendor’s behalf. Submit the letter of intent via email to [ETFsmbProcurement@etf.wi.gov](https://www.irs.gov/pub/irs-pdf/fw9.pdf). The pertinent RFP number(s) must be referenced in the subject line of vendor’s email. The letter of intent does not obligate a vendor to submit a Proposal.

## Proposal Due Date and Time

1. Proposers are solely responsible for ensuring that all required documents are received by the Department on or before the deadlines stated in Section 1.19 Calendar of Events.
2. Documents received by the Department after the date and time specified in Section 1.19 Calendar of Events will not be accepted. All required Proposal documents must be submitted by the specified due date and time. If any document or portion of the Proposal is submitted late, the entire Proposal will be disqualified. Proposers may request, via an email to the Department at ETFsmbProcurement@etf.wi.gov, the time and date their documents were received.
3. The Department takes no responsibility for Proposer submissions or emails that are captured, blocked, filtered, quarantined, or otherwise prevented from reaching the proper destination server by any anti-virus or other security software.

## Proposal Documents

Proposal submission must include all Proposer documents responsive to the RFP(s) for which the Proposer is submitting a response (RFP ETD0052 for HSA and/or RFP ETD0053 for Section 125, ERA, and Commuter Fringe Benefits). Proposers responding to either or both RFPs must comply with the requirements below. The Department reserves the right to exclude/disqualify any Proposal from consideration that does not follow these requirements. Electronic signatures on documents that require signatures are acceptable.

**Include the following documents with your Proposal:**

a.  **Cover Letter:** This signed letter must be written on the Proposer’s official business stationery and be signed by an official that is authorized to legally bind the Proposer. Include in the letter:

* Name and address of company/Proposer
* Name, title, signature, telephone number and email address of Proposer’s authorized representative
* Name, title, telephone number, and email address of representative(s) who may be contacted by the Department if questions arise regarding the Proposal
* The RFP name(s) and number(s) for which the Proposer is submitting a response: ETD0052 for HSA and/or ETD0053 for Section 125, ERA, and Commuter Fringe
* Executive summary regarding the Proposal
* Date the Proposal was authored

b. **Completed Forms:** Complete and upload the following forms (these forms may be uploaded to BOX as a single .pdf file)

* **Form A** – Proposal Checklist
* **Form B** – Mandatory Requirements and Qualifications
* **Form C** – Subcontractor Information - If awarded a Contract, throughout the term of the Contract, Contractors have a continuing obligation to submit an updated Form C to the Department when Subcontractors are added/deleted.
* **Form D** – Request for Proposal Signature Page
* **Form E** – Vendor Information
* **Form F** – Vendor References - Proposers must provide at least four (4) references in Form F. References may be contacted to determine the quality of work performed and personnel assigned to the project, etc. The results of any reference checks may be used for scoring Proposals. Other reference requirements are stated in Form F. The Department reserves the right to contact other states, agencies, and individuals, about the Proposer even if not listed as references by the Proposer.
* **Form G** – Designation of Confidential and Proprietary Information - All Proposers have a continuing obligation to submit an updated Form G up to the date the Department’s Notice of Intent to Award a Contract(s) is issued if the Department requests additional information that the Proposer claims is confidential or proprietary. Merely designating submitted information “confidential” or “proprietary” on the submitted document is insufficient.
* **Current Form W-9** Request for Taxpayer Identification Number and Certification (get the latest form from the Department of the Treasury, Internal Revenue Service: [https://www.irs.gov/pub/irs-pdf/fw9.pdf](https://etf.wi.gov/node/15551))

d. **Responses to Section 6 General Questionnaire**

e. **Responses to Section 7 Technical Questionnaires**

f. **Assumptions and Exceptions:** If you have no assumptions or exceptions to any RFP term, condition, appendix, specification, or Form, you must provide a statement to that effect in your Proposal.

**If you have assumptions and/or exceptions** to any RFP term, condition, appendix, specification, or Form**, you must follow the instructions in Section 2.4.1 below for submitting assumptions and exceptions.**

g. **Promotional Materials:** Only provide promotional materials if they are relevant to a specific requirement or request specified in this RFP. If provided, all materials must be included with the response to the relevant requirement and clearly identified as “promotional materials.” Electronic access to such materials is preferred, which includes web links.

**Upload the Cost Proposal Workbook separately:**

i. **Cost Proposal:** The completed FORM H – Cost Proposal Workbook must be uploaded to BOX as a separate document (see Section 2.5.1.a. below) as an Excel file. Do not convert the Cost Proposal Workbook to a .pdf document.

### Instructions for Submitting Assumptions and Exceptions

a. Regardless of any proposed assumption or exception, the Proposal as presented must include all services requested in the RFP being responded to.

b. If you cannot agree to a term or condition as written in this RFP and its attachments, you must make your specific requested revision to the language of the provision by striking out words or inserting language to the text of the provision. Any new text and/or deletions of original text must be clearly color coded or highlighted. Proposers must avoid complete deletion and substitution of entire provisions unless the deleted provision is rejected in its entirety and substituted with substantively changed provisions. Wholesale substitutions of provisions must not be made in lieu of strategic edits required to reflect Proposer modifications. See Section 2.4.2 below regarding assumptions and exceptions to Appendix 2 – Department Terms and Conditions.

c. Immediately after a proposed revision, you must add a concise explanation concerning the reason or rationale for the revision. Such explanations must be separate and distinct from the marked-up text and be bracketed, formatted in *italics,* and preceded with the term “[*Explanation: ….*].”

d. Submission of any standard Proposer contracts as a substitute for language in Appendix 2 – Department Terms and Conditions is not a sufficient response to this requirement and may result in rejection of the Proposal. An objection to terms or conditions without including proposed alternative language will be deemed to be an acceptance of the language as applicable.

e. If the Proposer has any assumptions or exceptions to information in the Cost Proposal Workbook, provide those where indicated in the Cost Proposal Workbook.

f. All provisions on which no changes are noted will be assumed to be accepted by the Proposer as written and will not be subject to further negotiation or change of any kind unless otherwise proposed by the Department.

g. The Department reserves the right to negotiate contractual terms and conditions when it is in the best interest of the State to do so.

h. Exceptions to any RFP terms and conditions may be considered by the Department during Contract negotiations if it is beneficial to the Department.

i. The Department may or may not consider any of the Proposer’s suggested revisions. The Department reserves the right to reject any proposed assumptions or exceptions.

j. Clearly label each assumption and exception with one of the following labels, as applicable:

* + Appendix 2 – Department Terms and Conditions Assumptions and Exceptions
	+ RFP/Appendix (excluding Cost Proposal) Assumptions and Exceptions
	+ Cost Proposal assumptions and exceptions must be clearly indicated and included in the designated tab of your Cost Proposal Workbook.

### 2.4.2 IMPORTANT: Supplemental Information – Department Terms and Conditions

The Department may not allow any assumptions or exceptions by the Proposer to any of the sections of Appendix 2 – Department Terms and Conditions that are listed in Table 4 below. Any Proposal with an assumption or exception to language in the sections listed in Table 4 may be rejected unless the Proposer, upon the Department’s request, recants each such assumption or exception in writing.

If, during contract negotiations, there are minor issues that need to be addressed due to the Proposer’s inability to meet specific provisions in the sections of the Department Terms and Conditions listed in Table 4 below, the Department may choose to negotiate these issues with the Proposer as the Department sees fit.

If there is a difference in interpretation of the Department Terms and Conditions between the Proposer and the Department, the Department may be willing to address those matters during contract negotiations and make clarifications.

Be advised that the Department is unlikely to agree to make substantial changes to the language in the sections of the Department Terms and Conditions that are listed in Table 4 below.

***Table 4. No Assumptions or Exceptions Allowed***

**Appendix 2 – Department Terms and Conditions**

|  |
| --- |
| **Section** |
| 3.0 Legal Relations |
| 12.0 Discount for Late Delivery |
| 14.0 Contract Dispute Resolution |
| 15.0 Controlling Law |
| 17.0 Termination of the Contract |
| 18.0 Termination for Cause |
| 18.1 Breach by Pattern or Practice |
| 19.0 Remedies of the Department |
| 24.0 Confidential Information, Privacy and HIPAA Business Associate Agreement |
| 25.0 Indemnification |
| 30.0 Information Security Agreement |
| 41.0 Assignment |

##  Preparing to Upload Documents to BOX

### Required Files

**a. At a minimum, your submission to BOX must include the following two (2) files, an unredacted Proposal and the Cost Proposal Workbook:**

**1. Unredacted Proposal (including all the documents listed in Section 2.4 Proposal Documents except the Cost Proposal Workbook). The file name for this file should include Proposer’s name +** the text **“Unredacted Proposal” +** the appropriate **RFP number(s) Proposer is responding to:** RFP ETD0052 HSA and/or RFP ETD0053 Section 125, ERA, and Commuter Fringe**. This file must contain all unredacted Proposal documents in Microsoft Word/Microsoft Excel, and/or Adobe Acrobat 9.0 (or above) format. The Department requires that all files have optical character recognition (OCR) capability (not a scanned image). Documents may not be password protected. Do not include the Cost Proposal in this file.**

**2. Cost Proposal Workbook. The file name for this document should include Proposer’s name + the text “Cost Proposal” + the appropriate RFP number(s) Proposer is responding to:** RFP ETD0052 HSA or RFP ETD0053 Section 125, ERA and Commuter Fringe**. This file must contain Proposer’s completed Form H** – **Cost Proposal Workbook.**

b.  **IF** your Proposal includes confidential and/or proprietary information, you must upload two versions of your Proposal, an unredacted Proposal (see above) and a Redacted Proposal, plus the Cost Proposal Workbook.

1. The **Redacted Proposal** must include all documents listed in Section 2.4 Proposal Documents except the Cost Proposal Workbook. The redacted Proposal file must be labeled with **Proposer’s name +** the text **“Redacted Proposal” +** the appropriate **RFP number(s)** Proposer is responding to: RFP ETD0052 HSA and/or RFP ETD0053 Section 125, ERA, and Commuter Fringe.This file must contain all Proposal documents in Microsoft Word/Microsoft Excel, and/or Adobe Acrobat 9.0 (or above) format **EXCLUDING or REDACTING** all Proposer confidential and proprietary information/documents listed in Proposer’s Form G – Designation of Confidential and Proprietary Information. **Do not include the Cost Proposal Workbook in this file.** Cost Proposals cannot be redacted and cannot be kept confidential.

c. **IF** you are unable to combine/include all required forms, documents, and requested materials in a single Proposal file (unredacted or redacted), not including the Cost Proposal Workbook, you may upload separate document files to the BOX URL listed below in section 2.6.1. All file names of uploaded documents must contain Proposer’s name as the first word in the file name, a designation of “Redacted” if appropriate, and a file descriptor. Examples: “Proposer’s name + Redacted + reports,” “Proposer’s name + forms,” “Proposer’s name + Assumptions and Exceptions.” All such files must be in Microsoft Word/Microsoft Excel, or Adobe Acrobat 9.0 (or above) format. If a document file includes confidential/proprietary information, include the word “confidential” in the file name along with the descriptive information noted above. You are required to include the document name and details of the confidentiality, e.g., document name, page and/or section, in Form G – Designation of Confidential and Proprietary Information.

### Redacted Documents

a. The Department may need to electronically send redacted Proposals to members of the public (including other Proposers) when responding appropriately to public records requests. Note that no matter what the method the Proposer uses to redact documents in this file, the Department is not responsible for checking that the redactions match the Proposer’s Form G – Designation of Confidential and Proprietary Information. The Department is not responsible for checking the redactions, when viewed on-screen via electronic file, cannot be thwarted. The Department is not responsible for responding to open records requests via printed hard copy, even if redactions are only effective on printed hard copy. The Department may post redacted Proposals on the Department’s public website in exactly the same file format the Proposer provides, and the Department is not responsible if the redacted file is copied and pasted, uploaded, emailed, or transferred via any electronic means, and somehow loses its redactions in that process.

i. Redact only material you, the Proposer, authored. For example, do not redact the requirement or question you are responding to, only the answer.

ii. Do not redact page numbers. Page numbers should remain visible at all times, even if the whole page is being redacted.

iii. List a descriptor of the redacted items on Form G – Designation of Confidential and Proprietary Information; sign the form only once. Add as many lines/pages to Form G as necessary.

## Uploading Documents to BOX

### Upload Proposal Documents to the Following BOX URL:

<https://etf.box.com/s/mm6vvzw00npyerw7oz6bpitphucag7s3>

a. Upload all Proposal documents via BOX by the due date and time specified in Section 1.9 Calendar of Events – Proposals Due.

b. It is recommended that Proposers begin the process of uploading Proposal documents via Box and test their system in advance of the due date and time listed in Section 1.10 Calendar of Events – Proposals Due to ensure submission can be accomplished by the due date. If uploading a test document to the BOX URL, include the word “test” in the file name.

### Requirements for Uploading Documents to Box:

a. Do not upload zipped folders or files to the BOX URL.

b. Do not upload document folders to the BOX URL.

c. Acceptable file types include PDF, DOCX, or XLSX.

1. Do not lock or password protect any Proposal documents or files.
2. Follow file naming instructions (see Section 2.5 above).
3. Files must be free of all malware, ransomware, viruses, spyware, worms, Trojans, or anything else that is designed to perform malicious operations on a computer.

g. If you experience problems uploding files to BOX, consult with your IT department first; consider “whitelisting” BOX or turning off your VPN to allow uploads. If you continue to experience issues, send an email to ETFsmbProcurement@etf.wi.gov.

## Multiple Proposals

Vendors may submit only one proposal for each RFP: **ETD0052 Health Savings Accounts Benefit Program; and/or ETD0053 Section 125 Cafeteria Plan, and Employee Reimbursement Accounts Benefit Program, and Commuter Fringe Benefit Accounts).** Multiple Proposals from a Proposer for a single RFP (ETD0052 or ETD0053) will not be accepted.

## Withdrawal of Proposals

Proposals will be irrevocable until the Contract is awarded unless the Proposal is withdrawn. Proposers may withdraw a Proposal in writing at any time up to the date and time listed in Section 1.19 Calendar of Events, for the Proposal Due Date or upon expiration of three (3) Calendar Days after the Proposal Due Date and time, if received by the Department. To accomplish this, the written request must be signed by an authorized representative of the Proposer’s company and submitted to the contact listed in Section 1.4 Procuring and Contracting Agency. If a previously submitted Proposal is withdrawn before the Proposal Due Date, the Proposer may submit another Proposal at any time up to the Proposal Due Date and time.

# Proposal Selection and Award Process

## Preliminary Evaluation

Proposals will initially be reviewed to determine if Form B – Mandatory Requirements and Qualifications are met, to the extent the Department can make that determination, and if all required Proposal components are received. All components of the Proposal must be submitted prior to the deadline listed in [Section 1.19](#_Calendar_of_Events) Calendar of Events. Failure on the part of the Proposer to:

a. submit a complete Proposal on time and following the instructions for completing the Proposal specified in this RFP; or,

b. provide a complete Cost Proposal; or,

c. be able to meet the specifications in this RFP and the appropriate appendices,

may result in rejection of the Proposal regardless of when the Department makes such discovery. In the event that all Proposers do not meet one or more of the RFP requirements, the Department reserves the right to continue the evaluation of Proposals and to select the Proposal(s) that most closely meet(s) the requirements specified in this RFP. Also see Section 2.4.2 regarding possible rejection of a Proposal for making assumptions/exceptions to certain sections of Appendix 2 – Department Terms and Conditions.

Failure to respond to each of the requirements/questions in this RFP (for the RFP(s) being responded to) may be the basis for rejecting a Proposal.

All Proposals must be in English.

## Clarification Process

The Department may request Proposers to clarify ambiguities or answer questions related to information presented in their Proposal. Clarifications may occur throughout the Proposal evaluation process. Clarification requests will include appropriate references to this RFP and the Proposal. Proposer responses must be submitted to the Department in writing in the manner and timeframe specified by the Department. Failure to provide responses as instructed may result in rejection of a Proposal.

## Evaluation Criteria

Proposals that pass the preliminary evaluation may be reviewed by an evaluation committee. The evaluation committee may review written Proposals, additional clarifications, oral presentations, or demonstrations of the Proposer’s proposed products(s) and/or service(s) (top scoring Proposers only), site visits, and other information to score Proposals. The Department may request reports on a Proposer’s financial stability (this includes the Department’s request for Proposers to furnish audited financial statements), and if financial stability is not substantiated, may reject a Proposer’s Proposal. The Department may review results of past awards to the Proposer by the State.

The RFP evaluation committee may contact the references of selected Proposers to determine the quality of services provided and work performed by the Proposer, customer satisfaction, etc. Proposers should use **Form F – Vendor References** to provide references**.** The Department will act as its own reference (therefore do not list the Department as a reference). At least one reference should be an entity with at least 50,000 eligible participants for whom your organization provides services like those described in this RFP. At least one reference should be an entity that recently (within the last 3 years) became a client (to speak to their experience with implementation of your organization’s services). Reference checks may be used by evaluation committee members to clarify and substantiate information in the Proposals, learn about the Proposer’s past performance and ability to perform the services described in this RFP and in the Proposal, and may be considered when scoring Proposer responses to the general and technical questionnaires in this RFP.

The evaluation committee's scoring will be tabulated, and Proposals will be ranked based on the numerical scores received. The evaluation committee reserves the right to stop reviewing a Proposal at any point during the evaluation process and remove the Proposal from further consideration when the Proposal is not reasonably apt to receive an award.

## 3.4 Proposer Presentations, Demonstrations, Site Visits

**This section is not scored. (0 points)**

**Any presentations, demonstrations or site visits will inform evaluation committee members’ scoring of the General and/or Technical Questionnaires.**

At the direction of the evaluation committee and the discretion of the Department, Proposers reasonably apt to receive an award (top scoring Proposers) based on the evaluation of their Proposal and the scores of their General and Technical Questionnaires (RFP Sections 6 and 7) may be required to participate in oral presentations or demonstrations, interviews and/or site visits to supplement the Proposals. This may include presentations to supplement or clarify information in the Proposal or demonstrations of Proposer’s key tools, web portal, and reporting capabilities, and interviews with key Department staff, evaluation committee members, and Board members. Proposer presentations and/or demonstrations may be used by evaluation committee members to validate or supplement Proposal information; committee members may change their scores to the Proposer’s responses to items in Sections 6 and 7 based on Proposer presentations/demonstrations.

The Department will reasonably attempt to schedule each Proposer presentation or demonstration at a time that is agreeable to the Proposer, however, such presentations or demonstrations must occur within a window of time specified by the Department. Presentations will be held either virtually via MS Teams or in Madison, Wisconsin. Failure of a Proposer to provide a presentation or demonstration or permit a site visit on the date scheduled may result in rejection of the Proposer’s Proposal.

By submitting a Proposal in response to this RFP, the Proposer grants rights to the Department to contact or arrange a site visit with any or all of the Proposer’s clients, associates, Subcontractors, and/or references.

Proposers invited by the evaluation committee and Department to provide a presentation or demonstration will be given a list of agenda items/talking points the Proposer must address to ensure an objective comparison by the evaluation committee of Proposers’ proposed services.

If a presentation or demonstration is required, the Department prefers to have the designated primary contact, program managers, implementation managers, or other key assigned project staff participate in the presentation or demonstration and facilitate discussions. The Department’s objective is to ascertain the designated primary contacts’ familiarity with the Department’s mission and expectations, and ability to explain, communicate, converse, and interact with Department staff. While respecting the role of sales and marketing staff in the sales process, the Department is most interested in interacting with the staff the Department will be interacting with daily to manage the Contract(s), if the Proposer wins an award.

## 3.5 Proposal Scoring

Proposals submitted for each of the RFPs (ETD0052 and ETD0053) will be scored based upon the proven ability of the Proposer to satisfy the requirements specified herein in an efficient, cost-effective manner, taking into account quality of services proposed. If a vendor submits a Proposal for ETD0052 and ETD0053, Proposals will be scored individually for ETD0052 and ETD0053. Proposals will be scored using the following point system:

Table 5. Evaluation Criteria

|  |  |  |  |
| --- | --- | --- | --- |
| **RFP Section** | **Description** | **Maximum Points that can be Awarded** | **%** |
| 6 | General Questionnaire (complete only once, applies to both RFPs) | 300 | 30% |
| 7 | Technical Questionnaire (complete the sections appropriate for the RFP being responded to)  | 500(for each RFP) | 50% |
| 9 | Cost Proposal Workbook (complete for the RFP being responded to) | 200(for each RFP) | 20% |
|  | **Total** | **1,000**(per RFP) | **100%** |
| **Top Proposers Only** | **Description** | **Total Points** | **%** |
|  | Proposer Presentation / Demonstration | Not scored but used by the evaluation committee to clarify proposals |

1. For clarity: If a Proposer submits a Proposal for both RFPs (ETD0052 and ETD0053), scores will be tallied separately for each RFP as follows:

For **RFP ETD0052 HSA, total possible score: 1,000 points**

Score of the General Questionnaire Section 6: 300 points maximum

Score of Sections 7.1 – 7.14: 500 points maximum

Cost Score: 200 points maximum

For **RFP ETD0053 Section 125, ERA, and Commuter Fringe Benefits total possible score: 1,000 points**

Score of the General Questionnaire Section 6: 300 points

Score of Sections 7.1 – 7.11 and 7.15 – 7.21: 500 points maximum

Cost Score: 200 points maximum

1. Proposers whose Proposals are accepted for final consideration will be required to participate in Proposer presentations and/or web portal demonstrations if requested by the Department (see [Section 1.19](#_Calendar_of_Events) Calendar of Events); see [Section 3.4](#_3.4_Proposer_Presentations,) Proposer Presentations, Demonstrations, Site Visits. Proposer presentations/demonstrations to evaluation committee members (if required) will be accomplished through video means.

c. Evaluation committee members may alter their scores of a Proposal based on the information they learn from the Proposer in their presentation/demonstration.

1. The evaluation and selection of a Contractor(s) will be based on the information received in the submitted Proposal(s) plus the following optional review methods, at the Department’s or evaluation committee’s discretion: reference checks, presentations, demonstrations, interviews, responses to requests for additional information or clarification, and/or best and final offers (BAFOs), where requested. Such methods may be used to clarify and substantiate information in the Proposals.

e. At the discretion of the Department, Proposers reasonably apt to receive an award after the initial review of Proposals may be required to provide a copy of their organization’s audited financial statements for the two (2) most recent fiscal years including the audit opinion, balance sheet, statement of operations and notes to the financial statements. If a Proposer receives a request for these documents from the Department, the Proposer must furnish such documents to the Department within five (5) Business Days of the Proposer’s receipt of the Department’s request. If such documents are confidential, the Proposer must submit a revised Form G – Designation of Confidential and Proprietary Information with the documents. The Department may reject a Proposal if the requested documentation is not provided or if the documentation provided does not assure the Department that the Proposer is able to provide the services requested in this RFP for the life of the Contract to the Department’s satisfaction.

f. Proposers are **required** to provide a copy of their organization’s most recent SOC 2 Type 2 report along with a Letter of Attestation (see Section 7.2.3 below and Appendix 2 – Department Terms and Conditions, Sections 6.0 and 30.0). If a Proposer does not currently have a SOC 2 / Type 2 report and Letter of Attestation, the Proposer must provide such materials to the Department **before May 1, 2025.** The Department may reject a Proposal if these materials are not provided or if the documentation provided does not assure the Department that the Proposer is able to provide the services requested in this RFP for the life of the Contract to the Department’s satisfaction.

## 3.6 Method to Score Cost Proposals

The lowest Cost Proposal will receive the maximum number of points available for the cost category. Other Cost Proposals will receive prorated scores based on the proportion that the costs of the Proposals vary from the lowest Cost Proposal. The scores for the cost category will be calculated with a mathematical formula.

## 3.7 Best and Final Offer (BAFO)

a. The Department reserves the right to solicit one or more BAFOs and conduct Proposer discussions, request more competitive pricing, clarify Proposals, and contact references of finalists, should it be advantageous for the Department to do so. The Department is the sole determinant of what is most advantageous.

b. If a BAFO is solicited, it will contain the specific information on what is being requested, as well as submission requirements, and a timeline with due date for submission. Any BAFO responses received by the Department after the stated due date may not be accepted. Proposers that are asked to submit a BAFO may refuse to do so by submitting a written response, indicating their Cost Proposal remains as originally submitted. Refusing to submit a BAFO, if requested, will not disqualify the Proposer from further consideration.

## 3.8 Contract Award

The evaluation committee may conduct Proposer discussions, clarify Proposals, contact the references of Proposers, and request a Best and Final Offer (BAFO) from Proposers. Information regarding the Proposals will be presented to the Board. One or more Proposals may be presented to the Board for award based on the results of the general, technical, cost evaluations, and references. If the evaluation committee conducted oral presentations or demonstrations, the award will be based on the results of the presentations or demonstrations, as well. The Proposal(s) determined to best meet the goals of the State’s benefits program may be selected by the Board for further action, including oral presentations or demonstrations to the Board, and the Board’s discussion held in closed session regarding the award among other considerations in determining the award decision. The Board has the fiduciary responsibility and authority to make the final contract award decision. Under Wis. Stat. § 40.03 (6) there is no requirement for the Board to award a contract to the Proposer who scored the most points. The Board reserves the right not to award a Contract.

## 3.9 Right to Reject Proposals and Negotiate Contract Terms

a. This RFP does not commit the Board to award a Contract or pay any cost incurred in the preparation of a Proposal in response to the RFP. The Board retains the right to accept or reject any or all Proposals or accept or reject any part of a Proposal deemed to be in the best interest of the Board. The Board will be the sole judge as to compliance with the instructions contained in this RFP.

b. The Department, on behalf of the Board, will negotiate the terms of the Contract, including the award amount and the Contract length, with the selected Proposer(s) prior to entering into a Contract. The Department reserves the right to add contract terms and conditions to the Contract during contract negotiations and subsequent renewals.

## 3.10 Notification of Intent to Award

All Proposers who respond to this RFP will be notified in writing of the Board’s intent to award one or more contracts as a result of this RFP. All decisions and actions under this RFP are solely under the authority of the Board.

## 3.11 Appeals Process

a. Protests (appeals) of the Board’s intent to award a contract must be made in writing and according to the Board’s Vendor Procurement Appeals Policy located [here](file:///S%3A%5CFinance%5CProcurement%5CContract-R%5CContract%5CETD%5CETD0050-51%20-%20Medicare%20Advantage%20%26%20Medicare%20Plus%5C1.%20Development%5CRFP%20docs%20DRAFTS%5CAppeals%20Policy%20from%20web%201.19.2024.pdf), starting at the bottom of page 12.

b. A Proposer who wants to appeal the award must first email a written notice indicating that the Proposer intends to appeal the award decision to [ETFsmbProcurement@etf.wi.gov](https://secure-web.cisco.com/18XmQICqchrDvTdTbkJwv52UHhTJlRpTHvQjvsh90yyrLSNjPSSUjPfdRpo_FVNg_PnYOQiI_0KGsFGumoo5ULGh9GnSVPr29tCbfXb_sfu-Rfu0sUoQOcaxuLU-uJXdEioLY-CH7poGR6srcIJnjn4T_E4ja7d5EcYbbBXhVMgfo21HHP9shqMtba0EnmPRpGQw3mckXjXTxtLJ1RSJ_-Rwd-uLobeYwqbr2-YrSoyyJ2EcLRtWVOPN4nNS_3JumTJRRWNLTO7lY3Op4l7TYRlikI1qyCnc40Kd_xKVr28Pj8TPiOZ4HeOBfqk9eSQUKoh5pN1uV_yW8Fl70Z0JQUA/https%3A//r20.rs6.net/tn.jsp) ***AND*** to [ETFsmbProcurementAppeals@etf.wi.gov](https://secure-web.cisco.com/1lxk9HZL5s_18LpzpKxrYzLQnyu8TQ663rGp1PeCTVkv2dUIIhYvJQo9iWJ947-FzPrFLWpebxcXXaCymyCfgeRWZFTKVn_PZDeSqFNyjD3J3hk5xZmF-rG8nEjQyqfohhz8-5BqS2h4Iu-2fNayQ_V_VjLtKbCDDKXdrx1O9qd16I08hhr0ljuxURClkGCj9xK5YfzDt8GV0Odb494LqLAZcn1QcLYRMbi7aIiQ4Lic2KZ0OSYhNnp_5a3pnCES15ZPqzXNw5tObTF60yxiREmbssCvj2hoh3135TstlaPcSofugZZ2acECzkh_EF3egKYCFQgEJiHT7bL21Kp90Mw/https%3A//r20.rs6.net/tn.jsp). The notice of intent to appeal the decision must be received no later than five (5) Business Days after the notice of intent to award the contract is issued.

c. Following the notice of intent to appeal, the Proposer’s formal written appeal must be emailed to ETFsmbProcurement@etf.wi.gov ***AND*** [ETFsmbProcurementAppeals@etf.wi.gov](https://etf.wi.gov/resource/etf-insurance-complaint-form), addressed to the Board, c/o the Secretary of the Department, within ten (10) Business Days after the notice of intent to award the contract is issued. Appeal rights are lost if no formal appeal is timely received. The formal appeal must state the RFP number, detailed factual grounds for the objection to the contract award, and must identify any sections of the Wisconsin Statutes and Wisconsin Administrative Code that are alleged to have been violated. Proposers can appeal only once per award.

d. The subjective judgment of evaluation committee members is not appealable. Following Board action, a written decision will be sent to the appellant. The decision of the Board regarding any appeal is final.

# Mandatory Proposer Qualifications

**This section is not scored. (0 points)**

**Use Form B – Mandatory Requirements and Qualifications to respond.**

Failure of a Proposer to comply with one or more of the items listed in Form B – Mandatory Requirements and Qualifications may disqualify the Proposer. A response to each item in Form B is required.

If the Proposer cannot agree to each item listed in Form B, the Proposer must so specify and provide the reason for the disagreement in the Assumptions and Exceptions section of their Proposal (see instructions in [Section 2.4.1](#_Instructions_for_Submitting) above).

Conditions of the RFP that have the word “must” or “shall” describe a Mandatory requirement.

# PROGRAM SPECIFICATIONS

**This section is NOT scored. (0 points)**

The applicable Program Agreement (Appendices 6 and 7) contains the minimum program requirements that the Contractor shall meet for the RFP(s) being responded to. All terms, standards, specifications, and conditions for each Benefit Program listed in the applicable Program Agreement are Mandatory requirements. If a Proposer is unable to comply with any item, term, standard, specification, or condition within the applicable Program Agreement, the Proposer must state that and provide the reason for the disagreement within Proposer’s Assumptions and Exceptions (see Section 2.4.1 Instructions for Submitting Assumptions and Exceptions).

Any additions or clarifications to the applicable Program Agreement will be discussed during Contract negotiations, and if agreed upon by the Department and the Contractor, included in the final Program Agreement that becomes part of the Contract.

# General Questionnaire - APPLIES TO BOTH RFPS

**This section is scored. (300 total points)**

The purpose of this Section 6 is to provide the evaluation committee, the Department, and the Board with a basis for determining your organization’s (the Proposer’s) capability to undertake the Contract(s). This Section 6 applies to both RFPs (ETD0052 and ETD0053) and is worth a maximum of 300 points. If you submit a Proposal for both RFPs, the score received for Section 6 will be used for both Proposals.

You (the Proposer) must provide point-by-point responses to each and every statement, request, and question in Section 6 by restating the heading of each subsection being responded to and each question or statement in the subsection in bold and providing a detailed written response (in non-bolded text). Do not combine questions or responses. Provide only one answer to one question at a time.

Your responses must follow the same numbering system, use the same headings, and address each point or sub-point listed in each section. Include the documents requested in Section 6 (if any) immediately after the request for the document(s).Label each document provided with the question it corresponds to (e.g., Response to 6.1.2).

Responses should reflect your (the Proposer's) understanding of the requirements and specifications herein, the procedures used to ensure the requirements will be met, and your organization’s qualifications and experience in providing the required Services.

You must provide sufficient detail for the evaluation committee, the Department, and the Board to understand how your organization will comply with each requirement. If you believe your organization’s qualifications go beyond the minimum requirements or add value, you should indicate those capabilities in the appropriate section of your Proposal.

Information described in your Proposal regarding programming and capabilities must be available to all eligible members employed by State Employers and local government entities (see Appendices 4 and 5 – State and Local Employer Group Rosters) unless otherwise noted in your Proposal.

**Fees related to any services included in your Proposal must be noted only in Form H – Cost Proposal Workbook. Do not include cost/pricing information in any other section of the Proposal.**

**The evaluation committee may stop reviewing a Proposal if the Proposal format does not follow these instructions or combines questions.**

##  Experience

**6.1.1**  Provide a general description of your organization, including:

1. Primary line(s) of business.
2. Description of experience in primary line(s) of business.
3. Number of employees.
4. Street address of the following: your organization headquarters, customer service, claims processing, IT support, implementation team, and other key staff.

**6.1.2** Describe fully your organization’s corporate or other business entity structure, including the state of incorporation or formation and list any controlling stockholders, officers, directors, general partners, members, managers, etc.

a. Attach an organizational chart (including any part of the organization associated with the Services you are proposing to provide) showing principal officers, directors, general partners, members, managers, etc. and staff members who will be associated with providing Services.

b. What year was the organization established?

c. Is your organization a subsidiary or affiliate of another company? If so, name the affiliate or parent.

d. Provide full disclosure of any direct or indirect ownership or control by any administrative service agency and/or financial institution and describe the relationship fully.

**6.1.3** Indicate the number of public sector clients (state governments, cities, counties, townships, universities, or school districts) and private sector clients in the various participant levels listed. Further, separate those with multiple payroll centers/employers within a single client.

|  |  |  |  |
| --- | --- | --- | --- |
| Client Size (# of participants) | # Public sector clients with a single payroll center/employer | # Private sector clients with a single payroll center/employer | # Public & Private sector clients with more than one payroll center/employer |
| ≤ 20,000 |  |  |  |
| 20,001 to 50,000 |  |  |  |
| 50,001+ |  |  |  |

**6.1.4** Provide a list of your three (3) largest public sector and (2) largest private sector clients for which your organization currently provides services for the programs you are offering in your Proposal, including:

a. Client name.

b. The services provided to the client.

c. The number of years your organization has provided such services to the client.

d. The approximate number of participants for each service you provide to the client.

e. The number of payroll centers/employers for each client.

f. The payroll cycles for each client. Indicate if there is more than one per client (e.g., biweekly, monthly, both, etc.)

**6.1.5** Describe any acquisitions and/or mergers or other material developments (e.g., changes in ownership, personnel, business, etc.) pending now or that occurred in the past five (5) years with your organization. Disclose any potential mergers or acquisitions that have been recently discussed by senior officials and could potentially take place within the next three (3) years after the Contract start date. If this is confidential information, designate the information as such in Form G – Designation of Confidential and Proprietary Information.

**6.1.6** Provide details of any pertinent judgment, criminal conviction, investigation, or litigation pending against your organization, related entities, principals or officers during the past five (5) Calendar Years, whether directly related to the Services requested through this RFP or otherwise.

a. Has your organization been subject to any litigation alleging breach of contract, fraud, breach of fiduciary duty, or other willful or negligent misconduct? If so, provide details including dates and outcomes. The Department reserves the right to reject a response based on this information.

b. Provide certification that your organization has not been in bankruptcy and/or receivership within the last five (5) Calendar Years.

**6.1.7** Organizations that do business in the State must have complied with all applicable state and federal registration and licensing requirements. Provide proof that these applicable registration/licensing requirements have been complied with (e.g., provide a current certificate of authority, etc., with your Proposal). If you don’t have these registrations/licenses explain when you plan to obtain them.

## 6.2 Staff Qualifications

**6.2.1** Identify the dedicated Account Executive and Account Manager who will be responsible for day-to-day contacts with the Department and provide his/her resume. In your description, include:

1. The skills and attributes that will ensure that the requirements of the Contract are met.
2. Information about their professional qualifications, including length of tenure with your organization.
3. A detailed description of the types of large and/or complex employer groups similar to those the Department works with that the Account Executive and Account Manager has been, or currently is, managing. Include the total number of large/complex employer groups along with the number of years of experience in managing these types of accounts.
4. Number of other accounts and their size which the Account Executive and Account Manager will oversee when also assigned to manage the Department programs.

**6.2.2** Provide a list of key, qualified staff who will assist in fulfilling the requirements of the Contract. At a minimum, include the back-up to the Account Manager and at least one staff person in enrollment and eligibility, customer service, claims, data and reporting, information technology and other key areas. For each staff person, list the following:

a. Name, job title, and location (city, state).

b. Primary job responsibilities.

c. Years of related experience.

d. Areas of specialization.

e. Include an organizational chart that shows the reporting structure for the key staff.

**6.2.3** Describe the problem resolution process in the event an issue arises that requires escalation beyond the Account Manager, Account Executive and/or other key staff, up to senior leadership.

a. Outline the problem resolution process including escalation steps.

b. Name the title(s)/individual(s) with problem resolution authority.

**6.2.4** Provide information about the legal/compliance staff who will be made available to the Department for consultation as needed for program administration. The Contractor shall make legal/compliance staff available to the Department for consultation, opinions, and/or guidance, as well as the resolution of escalated issues as necessary. Describe how your organization will monitor the development of and provide notification, information, and advice to the Department concerning State and federal regulations or legislation that may affect the Benefit Programs.

**6.2.5** Provide a statement as to whether the Services to be performed by your organization can be performed using only present staff, computer equipment, software, and technology or if additional resources will be needed to fulfill the requirements of the Contract.

## 6.3 Implementation

**6.3.1** Provide a detailed implementation plan that includes both a project overview and details on specific tasks, timeliness, and responsibilities to ensure that all eligible employees are given the opportunity to enroll in the Benefit Programs you are proposing to the Department and all necessary tasks are completed to accurately implement payroll deductions by the first pay period of 2026. Clearly delineate the tasks your organization expects the Department and payroll centers to perform and the information you expect the Department and payroll centers to provide. Your implementation plan, at a minimum, should include the following details:

a. A summary overview of the implementation plan.

b. A detailed implementation schedule, including:

* + 1. Banking and Participant account set-up details.
		2. Transfer of HSA assets and rollover balances.

c. Points of contact during the implementation.

d. Major tasks.

e. Constraints and/or risks.

f. Data and program set-up/configuration process, including:

i. Testing of eligibility files and eligibility logic.

g. Material and/or resource development, including:

i. Open enrollment materials development.

h. An overview of the communication/education process during the initial implementation phase, including:

i. Training of key staff.

ii. Training of customer service representatives.

i. Debit card production.

j. Issue elevation and resolution protocol.

k. Implementation verification and validation.

**6.3.2** Describe the structure of your implementation team. Include the following details:

a. Identify the implementation manager and provide details regarding their background and experience.

b. Indicate if the implementation manager will be dedicated to the Department for the duration of the implementation. If not, indicate how many other implementations he/she will support in addition to the Department implementation.

c. Identify any additional key implementation support staff, including those who will be involved in day-to-day implementation work, compliance review, technological support, marketing materials development, training, and employer outreach. Outline the roles and responsibilities for each additional implementation support staff member.

d. Describe any additional resources available to the Department during implementation.

e. Explain how your organization and implementation staff will support the Department during implementation.

f. Outline your organization’s intended training plan for implementation staff.

**6.3.3** Will the implementation manager and dedicated Account Manager be the same individual?

a. If so, is this a standard practice with your organization, and are any issues foreseen by having the same person fulfill both roles? Be specific.

b. If not, describe how they will work together during the implementation process and the procedures for transfer of responsibility.

**6.3.4** Describe the communication method your implementation manager and team will use with the Department to ensure all deliverables in the implementation plan have been completed.

1. Explain how your team will manage and monitor the tasks and timeline related to implementation.
2. Provide your willingness to meet at the Department’s location (Madison, WI) upon request during the implementation period.

6.3.5 Describe your experience implementing a client’s new benefit administration system and the approach that is used to help with implementing it.

## 6.4 Performance Standards and Guarantees

**6.4.1** The Contractor is required to meet performance standards, which may include, but are not limited to those listed in Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and/or Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program, as applicable to the RFP you submit a Proposal for. Detail your organization’s ability to satisfy the applicable performance standards.

Provide samples of performance standards you currently provide for your clients.

Provide a description and examples of performance reports you provide to your current clients that you would recommend be made available to the Department.

**6.4.2** Describe the procedure that will be followed to ensure the required performance standards are properly measured and reported. Include a sample report that will be provided to the Department to demonstrate how the performance standards were met and will be monitored.

**6.4.3** In the event that a deficiency of performance is identified, either by your organization internally or by the Department, by means of an audit, participant complaint volume, or grievance process finding, what standard performance improvement plans or procedures does your organization have in place to rectify the identified issue(s)? Provide any pertinent details, including timelines, follow-up actions, and any sample documentation.

**6.4.4** Provide a detailed description of any proposed additional performance standards and service guarantees your organization is willing to offer the Department, including the fees your organization is willing to put at risk.

**6.4.5** Describe how your organization backs up data, and for how long, related to performance / performance standards and whether the data is stored for record retention. During audit purposes, your organization will be asked to provide the data your organization used to measure/report on performance standards/performance guarantees.

# Technical Questionnaire

**This section is scored. (500 total points)**

The purpose of this Section 7 is to provide the evaluation committee, the Department, and the Board with a basis for determining your organization’s (the Proposer’s) capability to undertake the Contract(s).

* **All Proposers must complete Sections 7.1 – 7.11**
* **For RFP ETD0052 Third Party Administration of the Health Savings Account Benefit Program:** Proposers must also complete sections 7.12 – 7.14
* **For RFP ETD0053 Third Party Administration of the Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, and Commuter Fringe Benefit Account Program:** Proposers must also complete sections 7.15 – 7.21

**Scoring of the Technical Questionnaires will be as follows:**

* Sections 7.1 – 7.5 apply to both RFPs, ETD0052 and ETD0053, and are not scored but are reviewed closely by Department staff to determine if the Proposer has applicable information technology and security measures in place. Should Department staff have follow-up questions or require clarification to any answers provided for these Sections, the Department will reach out to the Proposer. Should a Proposer’s responses to the questions and requirements in Sections 7.1 – 7.5, or any assumptions and exceptions related to the technology, data, and security requirements in the RFPs not satisfy the Department’s information technology and security rules and practices, the Proposal may be disqualified. Section 3.2 Clarification Process applies.
* Sections 7.6 – 7.14 for RFP ETD0052: maximum of 500 points
* Sections 7.6 – 7.11 and Sections 7.15 – 7.21 for RFP ETD0053: Maximum of 500 Points

You (the Proposer) must provide point-by-point responses to each and every statement, request, and question in Section 7 applicable to the RFP being responded to. Restate the heading of each section being responded to and each question or statement in the section in bold and provide a detailed written response (in non-bolded text). Do not combine questions or responses. Provide only one answer to one question at a time.

Your responses must follow the same numbering system, use the same headings, and address each point or sub-point listed in each section. Include the documents requested in Section 7 immediately after the request for the document(s). Label each document provided with the question it corresponds to (e.g., Response to 7.1.2).

Responses should reflect your (the Proposer's) understanding of the requirements and specifications herein, the procedures used to ensure the requirements will be met, and your organization’s qualifications and experience in providing the required Services.

You must provide sufficient detail for the evaluation committee, the Department, and the Board to understand how your organization will comply with each requirement. If you believe that your organization’s qualifications go beyond the minimum requirements or add value, you should indicate those capabilities in the appropriate section of your Proposal.

You must be able to provide Services according to the requirements contained in this RFP and its attachments.

Information described in your Proposal response regarding programming and capabilities must be available to all eligible members in the GHIP unless otherwise noted in your Proposal.

**Fees related to any Services specified in your Proposal must be noted only in Form H – Cost Proposal Workbook. Do not include cost/pricing information in any other section of the Proposal.**

**The evaluation committee may stop reviewing a Proposal if the Proposal format does not follow these instructions or combines questions.**

* 1. **Information Technology**

**7.1.1** Describe how and where your organization will host the Services.

1. If your organization is headquartered in the United States, provide the state of incorporation.
2. If your organization is headquartered outside the United States, provide the country of incorporation.
3. For your organization and all Subcontractors you intend to use to provide Services, provide the location of all cloud infrastructure where Department data and data provided/received pursuant to the Contract(s) will be stored, processed, and transmitted that are located outside of the contiguous United States (this excludes Hawaii, Alaska, and US Territories).
4. For your organization and all Subcontractors you intend to use to provide Services, provide all locations outside of the contiguous United States where your employees and Subcontractors will have access to Department data.

**7.1.2** Provide your organization’s policies or other documentation that demonstrate compliance with the storage of data that is protected by federal, state, or private-sector regulations.

**7.1.3** Provide your organization’s published policy that indicates employees’ and subcontractors’ access to program participant data is the “minimum necessary” level.

**7.1.4** Describe capabilities of your organization’s systems (related to the provision of Services) related to querying and reporting functions.

**7.1.5** Describe how data imports and exports are handled/provided by your organization’s systems including the ability to support only incremental data changes or a full data history load. Also describe any automation for the import or export process.

**7.1.6** Describe the service level agreement and hours of availability of your organization’s website/web portal including when it is unavailable due to planned maintenance and how unplanned maintenance is managed and communicated to users.

**7.1.7** Describe how the website and web portal your organization would make available for the Program are accessible for disabled users including where the website and web portal are (and are not) Section 508 compliant. Describe specifics on how you meet or will meet WCAG 2.0 Level AA; include any accessibility audit results for your organization.

**7.1.8** Describe your organization’s development process for the website/web portal offered to the Department as part of the Services, including how security and quality assurance are built into the development process and how releases are managed.

**7.1.9** Provide all application programming interface (API) documentation that exists for your organization’s system including but not limited to, descriptions of the APIs, what business functionality they expose, how they are used, and how they are secured.

**7.1.10** Describe the on-going resources your organization will devote to research and development of your system. Include the length of time the system has been in production.

**7.1.11** Provide a roadmap for all platform/application enhancements that are planned for your organization’s system in the next three years.

**7.1.12** Describe how your platform/application and internal IT systems have changed/improved over the previous 3 to 5 years (response should demonstrate how agile and flexible your organization is with regard to staying current with technology and IT best practices).

**7.1.13** Describe how and when your organization will ensure that your system software is in compliance with applicable local, state, and federal statutes and regulations. Also, describe the process and timeline associated with your organization’s proposed system changes to accommodate applicable local, state, and federal statutes and regulations.

**7.1.14** The Department is in the process of implementing a new IAS. The Contractor(s) awarded a contract under RFPs ETD0052-53 will be required to submit data to and receive data from the Department and/or the Department’s IAS. The Contractor(s) will be required to have the ability to provide and receive repeatable, automatable data interchange with the Department and/or the Department’s IAS at no additional cost. In your Proposal, provide a statement that your organization can or cannot (as appropriate) provide data sharing services.

a. Is your organization part of the Benefitfocus Benefit Catalog Vendor program? If so, Provide your Benefitfocus vendor or partner identification number.

b. Describe your organization’s experience integrating with the Benefitfocus SaaS platform (if applicable) and other SaaS platforms your organization integrates with.

**7.1.15** Describe how your organization supports mobile applications and their usage and how your web applications are supported on mobile devices.

**7.1.16** Describe any authentication mechanisms, identity stores, and user types that will be used as part of your detailed implementation plan.

**7.1.17** Describe your integration strategies to existing public (State of Wisconsin) and / or private information technology systems as part of your detailed implementation plan.

**7.1.18** Describe how your organization would communicate down-time or outages of web services (Participant portal, administrator portal) and mobile applications it will provide to the Department and Participants, including how quickly you are able to send communications to the Department and affected Participants.

**7.2 Computer and Data Processing Facilities, Data Policies**

**7.2.1** Provide an overview of your organization’s **business continuity/disaster recovery plan (BC/DRP)**. The Contractor will be required to provide evidence it tests and updates its business continuity plans regularly to ensure that they are up to date and effective.

**7.2.2** Provide an overview of your organization’s **Incident Response Plan (IRP)**. Does your organization utilize any observability tools? If so, which tools and for what purpose.

**7.2.3** Provide a copy of your organization’s most recent **SOC 2 Type 2 report** along with a Letter of Attestation indicating your organization’s receipt of management’s assertion of control compliance from your organization’s subcontractors. (See Appendix 2 – Department Terms and Conditions, Sections 6.2 and 30.0). If your organization currently does not have a SOC 2 Type 2 report and Letter of Attestation, your organization should take steps to have a SOC 2 Type 2 audit completed so if your organization is selected as a finalist, your organization will meet the requirement of providing the audit report to the Department **no later than May 1, 2025**. If you do not submit a SOC 2 Type 2 report and Letter of Attestation with your Proposal, you must, within your Proposal, provide the Department with assurances that your organization has started a SOC 2 Type 2 audit (include auditor name and projected date of audit completion) and will provide such audit report to the Department before May 1, 2025. If the audit report is submitted after the Proposal, include an updated Form G if the report is confidential. **I****f a Proposer does not intend to obtain or provide a SOC 2 Type 2 report to the Department, the Proposer will be disqualified.**

**7.2.4** Provide a summary of the results of your organization’s most recent penetration test.

**7.2.5** Describe your organization’s annual risk assessment performed in accordance with accepted principles. If annual risk assessment is not performed, explain why.

**7.2.6** Provide your organization’s policies/guidelines related to security/privacy (e.g., annual training, confidentiality agreement, privacy policy).

**7.2.7** Describe in detail the measures your organization uses to protect the security and privacy of program data, records, forms, participant information, and data processing operations.

**7.2.8** Describe internal controls that are in place to reduce loss of program data, records, forms, participant information, and data processing operations that may occur through fraud, negligence, incompetence, or system errors. Include information about the physical security measures used to control access to your organization’s systems.

**7.2.9** Provide your organization’s data retention procedures/policies for client data evidencing that retention is in accordance with federal and state laws and regulations.

**7.2.10** Describe your organizations disaster recovery procedure if the cloud solution is not available, including processes to bring up the cloud solution and restore connectivity?

**7.2.11** Describe what software applications and supporting platform your organization will use to secure Department and Participant-related records and data. Provide information on how information is secured in transit and at rest.

**7.2.12** Describe in detail the computer and data processing facilities your organization currently uses (owned or otherwise used) and would make available for administering the Program. Include a description of any mainframe, distributive servers, cloud services, and network structures that you will use for providing the Services.

**7.2.13** What additional computer/data processing resources would your organization acquire in order to provide the Services, if any?

**7.2.14** Describe your organization’s policy for preventing data loss in the collection, use, storage, and disclosure of personal data.

**7.2.15** Describe how the web portal would transition to use single sign-on functionality to facilitate ease of use by Participants if that became available.

**7.2.16** Does your organization have a cloud exit strategy to export a client’s data that is processed, transmitted, or stored by your organization? If yes, provide the exit strategy. The Contractor will be required to provide a formal cloud exit strategy during the term of the Contract.

**7.2.17** List all current IT and IT Security certificates your organization holds. Provide current copies of all IT and IT security certifications.

**7.3 Information Security**

**7.3.1** Does your organization maintain an up-to-date inventory of all user accounts?

**7.3.2** Does your organization have controls in place to prevent the installation or execution of unauthorized software on all assets?

**7.3.3** Has your organization restricted administrative/elevated rights to only those technology personnel with the need to maintain the organization's systems based upon the principle of least privilege and supported through technical controls?

**7.3.4** Does your organization utilize an Identity Access Management (IAM) tool?

**7.3.5** Has your organization implemented multifactor authentication (MFA) wherever possible?

**7.3.6** Does your organization logically segregate a client’s data from other clients’ data?

**7.3.7** Has your organization implemented the following endpoint protections?

* Anti-virus software with real-time signature upgrades
* Anti-malware software with Heuristic capabilities
* Host firewalls
* Web filtering capabilities enabled

**7.3.8** Does your organization follow an established framework for asset hardening? If yes, are the configurations maintained and enforced using an automated tool?

**7.3.9** Does your organization maintain an inventory of all assets that includes responsible owners that is updated at least weekly?

**7.3.10** Will your product/service require any on-premises deployment?

**7.3.11** Will your system need to integrate with any other public cloud solution?

**7.3.12** Will backups of client data be captured and maintained at intervals established based on client need?

**7.3.13** Will backups be available at client request?

**7.3.14** Are backups tested at least semi-annually?

**7.3.15** Can client data be deleted upon request?

**7.3.16** Does your organization have methods in place to detect and prevent the loss of client data?

**7.3.17** Will your organization or your Subcontractor(s) keep all Department data and data provided/received pursuant to the Contract(s) within, and only accessible from, the contiguous United States?

**7.3.18** Are formal policies and standards communicated to your staff at least annually?

**7.3.19** Does your organization utilize a centralized log management system that alerts appropriate staff when an incident occurs?

**7.3.20** Is your system capable of providing audit logs? If yes, what format are they provided in?

**7.3.21** Is your system capable of providing audit logs to be sent to a client’s central logging system? If yes, explain what methods are used?

**7.3.22** Does your organization send audit logs to a centralized logging tool?

**7.3.23** Does your organization only utilize non-deprecated encryption methods wherever possible?

**7.3.24** Does your organization support Internet Protocol (IP) and geo-location restrictions?

**7.3.25** Does your organization perform security posture checks?

**7.3.26** Are patches for hardware and software applied within thirty (30) Calendar Days of being released when technically possible?

**7.3.27** Does your organization have an emergency patch management process?

**7.3.28** Does your organization follow formal change control processes and procedures in alignment with an established framework?

**7.3.29** Does your organization outsource any software development? If yes, does outsourced software follow formal change control processes and procedures that require supervision and monitoring?

**7.3.30** Does your organization follow an industry standard when designing, developing, and implementing applications and components? If yes, what standard does your organization use?

**7.3.31** Does the organization use a web application scanning tool for deployed web applications?

**7.3.32** Does the organization follow a regular cadence for web application scanning?

**7.3.33** Does your organization conduct vulnerability scanning at least weekly?

**7.3.34** Are vulnerabilities prioritized based upon the common vulnerability scoring system?

**7.3.35** Are critical vulnerabilities remediated within at least thirty (30) Days?

**7.3.36** Provide confirmation that your organization conducts annual risk assessments in accordance with the HIPAA Security Rule.

**7.3.37** Describe how you will keep digital banking information unreadable while at rest, in compliance with National Automated Clearing House Association (NACHA) requirements.

**7.3.38** Does your organization utilize any artificial intelligence (AI) tools? If so, which tools and for what purpose.

**7.4** **Data Privacy**

**7.4.1** Provide documentation that demonstrates your organization’s compliance with the HIPAA Privacy Rule.

**7.4.2** Describe how your organization ensures compliance with the HIPAA Privacy Rule’s minimum necessary standard, including how role-based access relates to this process.

**7.4.3** Provide a copy of your organization’s auditing policy as it relates to ensuring the proper use and disclosure of protected health information (PHI).

**7.4.4** Describe how your organization monitors, controls, and prevents the use of identifying information (personally-identifiable information (PII) and PHI) in generative artificial intelligence (AI) applications, such as ChatGPT.

**7.4.5** Provide the number of unauthorized disclosures of PHI your organization has experienced in the last two (2) years.

**7.4.6** Describe how your organization responded to the unauthorized disclosures listed in your answer above (if any).

**7.4.7** Has your organization had, or has your organization ever been involved with a business partner who has had, a privacy breach or investigation in the last three (3) years? If so, provide a brief description.

**7.4.8** Describe the processes you have in place to ensure that PHI and PII in external e-mails are properly secured to prevent unauthorized access.

**7.5 Audit**

**7.5.1** Describe your experience relative to the Contractor’s audit responsibilities below:

a. **Annual Independent Service Auditor’s Report.** Contractor must provide the Department with a copy of Contractor’s annual independent service auditor’s report on management’s description of Contractor’s system and the suitability of the design and operating effectiveness of controls (SOC 1 Type 2). The report is due to the Department within thirty (30) Business Days after receipt by Contractor. See Section 6.1 of Appendix 2 – Department Terms and Conditions for the full requirement.

b.  **Items Open to Audit.** All Contractor books, records, ledgers, and journals relating to the Program will be made available for inspection and audit by Department internal audit staff or their designees, the State of Wisconsin Legislative Audit Bureau, or designated agents, attorneys, and accountants, at any time during normal working hours. Records requested shall be provided by the Contractor electronically in a format acceptable to the Department.

c. **Program or Contract Audits.** The Department may require program or Contract audits. The audits will be completed by the Department, or the firm contracted by the Department, to complete the contract audits. These audits will be in addition to the annual Legislative Audit Bureau audits and periodic audits by Department staff. The audits will be based upon Department specifications and follow generally accepted auditing standards, when applicable. A report of findings and recommendations will be delivered to the Contractor and the Department within the guidelines established by the Department. The Department will use the findings and recommendations of each such report as part of its ongoing monitoring of the Program and the Contractor.

**7.5.2**  Describe how your organization, tracks, and stores all billing information, performance guarantees, and supporting documentation. What is your turnaround time for being able to provide requested information for an audit? What personnel resources do you make available to ensure audits are conducted timely and accurately?

**7.5.3**  Provide any audit methods that your organization uses to keep all systems, including Subcontractor systems, compliant with State and federal regulations.

**7.5.4**  The Department requires a year-end report to reflect all Participants’ account information including Participant name, Participant identifiers (Member ID and social security number), employment status, Payroll Center, Benefit Program type, Benefit Program effective date, Benefit Program termination/cancellation date, annual election amount, Participant contributions, incoming carryover, outgoing carryover, claims paid, pending claims (all pending claims will be resolved and all amounts zero), available balance and forfeitures Provide a sample of a year-end report from your system.

a. Does your organization allow customizations to meet individual client needs?

## 7.6 Customer Service

**7.6.1** Describe your organization’s customer service center hours of operation and location, including number of shifts, number of employees per shift, and peak hour coverage (e.g., during lunch).

a. Does your organization provide a 24/7 telephonic and/or online response system?

b. Does your organization provide a dedicated telephone line, fax number, and/or email address for clients, or is the same general customer service contact information offered for all clients?

c. What level of participant account and claims information do customer service staff have access to? How current is the information available to them?

d. Describe how your organization handles after-hours participant/member contacts.

**7.6.2** Describe your organization’s client-specific customer service inquiry monitoring capabilities and the data that can be reported on (e.g., date of service, type of support requested/provided, resolution, volume of calls). Provide a sample customer service report.

a. How are customer service inquiries documented in participants’ accounts for quality assurance and proper continuation of service?

**7.6.3** For the past year, provide the following:

a. The total number of inquiries handled by your customer service department.

b. The average hold time.

c. The abandoned call rate.

d. Percent of telephone inquiries resolved during the initial call.

e. Percent of telephone inquiries resolved within 24 hours of initial call.

f. Total number of e-mail inquiries.

g. Average number of Days for e-mail inquiry resolution.

**7.6.4** Describe your organization’s policies and procedures for handling participant contacts (e.g., calls, emails, etc.) during times of peak volume (e.g. open enrollment, new plan year). Include your staffing back-up plan(s) for ensuring performance standards are met.

**7.6.5** Describe in detail your organization’s customer service representative training protocol, including the steps your organization will take to ensure the customer service unit is in place and trained to receive open enrollment calls by mid-September 2025. Include any pertinent details and sample materials related to:

1. New client curriculum development (plan offerings, client-specific policies, etc.).
2. Initial and ongoing trainings.
3. Issue escalation procedures.
4. Communication of client plan changes and updates.
5. Education regarding tax code requirements.
6. Customer service representative supervision.
7. System support.
8. Quality assurance.
9. Performance standards.
10. Performance monitoring and adjudication.
11. Corrective training and performance improvement measures offered to customer service representative staff.

**7.6.6** What is the average length of tenure for customer service representatives with your organization for the last three (3) years? Do not include statistics for other positions or for your entire organization.

**7.6.7** Describe the information that will be available to Participants through your Interactive Voice Response (IVR) system.

**7.6.8** Are calls to customer service recorded?

1. If so, are calls regularly reviewed for quality and performance improvement opportunities?
2. If so, how often and by whom? Can a recording be easily accessed in the event of a customer service concern and made available to the Department for reference?

c. If not, describe your organization’s alternate call quality monitoring processes.

**7.6.9** Describe how your organization meets the communication needs of visually and hearing impaired participants.

Describe any training your customer service staff receives to meet the needs of visually and hearing impaired participants.

Specifically address how your organization adapts written and electronic materials, including your web resources, to meet the needs of visually and hearing impaired participants.

**7.6.10** Describe in detail any translation services offered by your organization.

Are the services provided directly by your organization or do you employ a Subcontractor?

What languages does your translation service include?

How can a customer access the translation services through your Interactive Voice Response (IVR) system or through your organization’s call center?

**7.6.11** Describe in detail your organization’s experience in providing record-keeping, accounting services, and administrative services for clients with a similar number of employees as the State with multiple payroll reporting agencies and multiple payroll cycles using a variety of data platforms, including electronic transfer via sFTP, virtual private network, encrypted e-mail, and/or paper.

a. Provide your organization’s willingness to meet with the Department on a reoccurring basis, by phone, or email, to discuss claims, reporting, accounting, and reconciliation, and other accounting issues.

**7.6.12** Does your organization have customer service procedures in place for handling the escalation of calls from members? Explain how escalated issues are (would be) communicated by your customer service representatives to your Account Management team.

**7.6.13** Describe how educational information resources from the Department, Payroll Centers, and your Account Management team would be communicated to your customer service representatives.

## 7.7 Web Portal Capabilities

**7.7.1** Provide detailed information about the hardware and software that your organization will use to administer the programs you are proposing to the Department. Include information about the record-keeping controls, policies, and procedures that are in place to properly receive, disburse, audit, and reconcile both participant and plan accounts in the following areas:

1. Enrollment and eligibility processing.
2. Payroll (contribution) processing.
3. Reimbursement/claims administration.
4. Bank account reconciliation.
5. Administrative fee billing
6. Reporting (year-end reporting or Plan Finalization Report).

**7.7.2** Provide the following:

1. Examples and descriptions of all available reports available on your administrative web portal.
2. A specific list, frequency of report generation, and a sample package of standard reports that will be provided to the Department at no additional charge.
3. A detailed description of the process for the Department to request additional reports not currently available, and estimated time of delivery. Additional reporting costs should be included in your Cost Proposal Workbook.
4. A sample of an HSA year-end statement showing a participant’s account balance and investments.
5. A sample of a participant’s monthly statement of all activity.

**7.7.3** Describe abilities available to the Department and Payroll Center staff to perform the following:

1. Update participant addresses and other personal information.
2. View consolidated accounts.
3. View individual participant effective and termination dates.
4. View and track individual claim obligations and fulfillment of those obligations.
5. View and track individual participant contributions.
6. View and track individual participant claims (e.g., documentation requirements).
7. Generate reports. Include details about the ability to run reports for aggregated or detailed data such as:
	1. Participant enrollment (current and past)
	2. Participant contribution (current and past)
	3. Account balance detail report – view plan balance summaries and individual account balance detail
	4. Claim history – view all claims submitted (manual, electronic, and debit card)
	5. Payment history – all reimbursement/payment during a specified time period
	6. Unsubstantiated claim – all unsubstantiated claims during a specified time period
	7. Debit card status and settlement report – status of debit card
	8. Repayment report – summary and detail of participant repayments for a specific period of time
	9. Plan Finalization Report

h. Find answers to common participant questions.

Detail other information available to Department and Payroll Center staff on employer-generated reports.

**7.7.4** Provide a sample administrator website portal login, or detailed color printed screenshots including interface details and feature descriptions.

**7.7.5** Provide a sample participant website portal login, or detailed color printed screenshots including interface details and feature descriptions.

**7.7.6** Provide a detailed description of your organization’s website / web portal for program participants. The website / web portal for Participants must be able to allow Participants to view transactions and claims status, allocate investments, or initiate a withdrawal. Describe the functions that will be made available to Participants to perform the following:

1. Review and update personal information.
2. Check balance and claim status.
3. Submit claims and receipts online.
4. Review lists of eligible expenses.
5. Use tools and calculators.
6. Find answers to common questions.
7. Contact customer service.
8. Order additional debit cards or request a replacement debit card.
9. Report a debit card as lost or stolen.
10. View tax documents and monthly statements.
11. Generate detailed reports for tax filing purposes.

**7.7.7**. Provide a detailed description of what will be included on your organization’s landing page for Participants to access without logging into their account.

a. Describe the materials currently available on your organization’s website without requiring an account login.

**7.7.8** How will your organization customize IT system and web portal interfaces (e.g., screens, menus), including IT system-generated standard communications (e.g., emails), to meet the Department’s needs and style of communication?

**7.7.9** Describe how Participants with limited Internet access will be able to access the same level of information and services available to those who are able to easily access the Internet.

**7.7.10** Have you added, improved, or changed any of your web tools in the last 12 months? If yes, describe.

**7.7.11** Do you have any plans to migrate any of your system(s) or online system that supports your benefit offerings (and would support the BENEFIT PROGRAMS) to a new one in the next five (5) years? If yes, describe.

**7.7.12** Provide a detailed description of your organization’s mobile application for participants. The mobile application should allow participants to view transactions and claims status or initiate a withdrawal. Describe the functions available to participants to perform the following:

1. Review and update personal information.
2. Check balance and claim status.
3. Submit claims and receipts online.
4. Find answers to common questions.
5. Contact customer service.
6. Order additional debit cards or request a replacement debit card.
7. Report a debit card as lost or stolen.
8. View any pertinent account documentation.

**7.7.13** Does your mobile application allow the same functionality as the web portal does for participant login? Explain any functional differences between the mobile application and web portal.

## 7.8 Enrollment and Eligibility

**7.8.1** Identify the person(s) whose primary responsibility it will be to coordinate Open Enrollment activities, including supervision and training of enrollment representatives, if applicable. Include their position, qualifications, experience, and location (local or home office). Describe how Open Enrollment responsibilities will be coordinated between the home and local office staff, if applicable.

**7.8.2** Describe and provide a copy of your organization’s standard annual communication plan for participants. The plan should include a detailed timeline, addressing communications development and delivery, enrollment confirmations, end of plan year and substantiation notifications, and reminders for participants.

**7.8.3** Identify the standard communications available to the Department at no extra cost.

1. Include details on the method(s) of delivery available for each type of communication (mail, email, web portal account, etc.).
2. Describe the Department’s ability to request additional communications, including the average length of time between the request and delivery.

**7.8.4** Provide examples of participant communication materials and indicate how they were provided to participants.

Enrollment guides and welcome brochures for each program you are proposing.

Participant guides for each program you are proposing.

Eligible expense reference materials (flyers, presentations, etc.).

d. Sample video presentations designed to educate participants on the program(s) you are proposing.

e. Forms, including enrollment, reimbursement requests, change of address, and direct deposit enrollment.

f. Any other program materials that may be used to communicate program information.

**7.8.5** Describe the communications customizations your organization will provide to the Department. Provide examples of customizations your organization has provided for clients.

**7.8.6** Identify the types of communication that you will send to participants via e-mail, including but not limited to enrollment reminders, enrollment verifications, Reimbursement Request confirmations, deposit notifications, and fund carryover confirmations. Provide any pertinent samples.

Provide your process for handling e-mail bounce backs, including identification and resolution.

Describe any challenges you have had previously in e-mailing participants whose work e-mail address is protected by a firewall. How have you addressed these challenges?

**7.8.7** Describe in detail the process used to accurately enroll eligible employees in the program(s) you are proposing.

1. Provide enrollment details for all applicable enrollment methods, including via web portal, paper application, enrollment file, and/or IVR.
2. Include information related to employee accessibility, employee user ID's and personal identification numbers, process for handling inaccurate or incomplete submissions, data transfer to employers, enrollment data backup and security, etc.

**7.8.8** Describe the procedure used for processing mid-year enrollments for newly hired or newly eligible employees. Address the process for each Benefit Program under the RFP you are responding to.

**7.8.9** Describe your administrative process in the event of a mid-year period of non-coverage (e.g. leave of absence, medical leave of absence) followed by reinstatement. Address the process for each Benefit Program under the RFP you are responding to.

**7.8.10** Provide an example of an enrollment verification statement (e.g. hard copy letter, electronic notification, email, etc.) and any program information that may be sent to participants upon enrollment in each of the programs you are proposing.

**7.8.11** Explain how your organization manages participant user identifications (IDs) and passwords.

1. Provide an example of any communications provided to a new participant informing them of their user ID and password.
2. Outline steps a participant must take to access their account for the first time.
3. Outline steps a participant must take to reset their password.
4. Are user IDs assigned by your organization, or may a Department designated number, such as an Employee number, be utilized as a user ID?

**7.8.12** Does your organization have preferred standard electronic data templates for eligibility, enrollment, and contribution files? If so, provide details regarding the file format, and provide a sample.

**7.8.13** Describe the eligibility, enrollment, and contribution error report resolution process. Indicate what will be done, when, and who will be responsible for each step. Also, provide the average error resolution time and a sample error report.

a. Describe how Payroll Center and Department can access the error report.

b. How will Payroll Center and Department staff know that there are errors on the file error report?

c. Can the error report be accessible ad-hoc on your web portal or Secure File Transfer Protocol (SFTP)?

**7.8.14** Provide details of the procedure that will be followed when participants who experience a qualified life change event wish to change their election. Include information about:

a. The staff who are responsible for processing life change event requests.

b. The criteria used to approve or reject a participant's change request.

c. The process used to properly reinstate an employee after a lapse in coverage, following United States Department of Treasury regulation rules.

d. The method for calculation of the annual amount for mid-year contribution amount changes or enrollment.

Include a sample form that is provided to participants who file a request to change their election amount due to a CIS and any material that will be provided to participants to communicate the requirements of CIS requests.

## 7.9 Debit Card

**7.9.1** Provide the following information regarding the company issuing debit cards for the Benefit Programs under the RFP(s) you are responding to:

Vendor name and address.

Telephone number.

General email address.

Website address.

**7.9.2** How many times has the company issuing the debit cards or the card service been offline in the past two years? Provide any pertinent details about the incident(s), including number of participants impacted and the resolution timeframe.

**7.9.3** Detail the debit card service you will provide in relation to the programs being offered in your Proposal.

Will Participants be automatically issued a debit card for their account(s)?

Will Participants have the option to request cards for Qualified Dependents?

How are the cards activated?

Are the debit cards chip-enabled?

Do the debit cards require a PIN for point-of-service sales?

In the event of a lost or stolen card, how would a Participant deactivate the card and order a new card?

**7.9.4** Can you offer a “one card solution” for multiple accounts? If so:

a. What programs can be serviced using the same card?

b. How does your card facilitate multiple accounts?

c. Provide detailed information on any card transaction or “one card solution” limitations. If there is a plan to address any limitations, provide your resolution plan and a timeline for the resolution.

**7.9.5** Provide information on how the debit card may be customized for the Department, including Department branding capabilities (e.g., logo, special colors).

**7.9.6** Provide an image of your standard debit card, including front and back details. Also provide a copy of the Cardholder Agreement that will be issued with the debit card to a participant. Can the Cardholder Agreement be customized to add some Department cardholder agreement language?

**7.9.7** Provide sample materials or communications that you provide to employees and employers detailing debit card benefits and functionality (e.g., flyer, brochure, video).

**7.9.8** Provide the following information regarding the debit card technology used for the debit cards you plan to provide to Benefit Program Participants. Explain/provide:

a. The type(s) of claims that may be paid using a debit card.

b. The auto-substantiation options available.

c. The processes/systems that are used for adjudicating claims. Provide a systems diagram and data flowchart for the interaction that occurs with the debit card vendor.

d. A detailed description of the connection between your card administration platform and claims administration software, and how debit card transactions are substantiated.

e. The processes or systems that are subcontracted to a third-party vendor.

f. The controls employed to avoid overpayments, negative balances, and payment of ineligible claims.

g. The process for recovering overpayments, ineligible claims, or negative balances, including when, how, and the nature of communications that are sent to participants on this matter.

h. The debit card suspension/reinstatement process, including when, how and the nature of communications that are sent to participants on this matter.

i. Any current process improvement or future enhancement being developed for the debit card.

**7.9.9** Provide the following information regarding automatic substantiation:

a. The types of debit card transactions that would prompt a request for claim substantiation.

b. A detailed description of all auto-substantiation parameters available.

c. The percent of debit card transactions that do not automatically substantiate and why.

d. The methods your organization uses to reduce the number of substantiation requests, including your willingness and ability to work with the debit card vendor and point of sale merchants to improve auto-substantiation rates of card transactions.

**7.9.10** Provide a detailed description as to how your debit card administration system utilizes e-mail or mobile application notifications to program participants regarding the following:

a. Status of debit card transactions.

b. Auto-substantiated claim confirmations.

c. Claims submission requirements.

d. Card status.

Provide samples of all pertinent participant notifications and communications.

**7.9.11** Provide a detailed list of merchants that would be made available to Participants through your debit card vendor, including IIIAS codes. A separate list should be provided for each Benefit Program you are submitting a Proposal for. Include information on how your list of merchants has changed over the last 3 years and your ability to add more merchants in the future.

## 7.10 Claims Administration

**7.10.1** Provide details of how your organization accommodates submission of claims. Include an overview and any pertinent documents for all available methods of Reimbursement Requests, including submission via secure web portal, smartphone application, and Reimbursement Request form.

**7.10.2** Provide details of the procedure and the criteria used to authorize or reject claims to assure that all claims are processed and paid in compliance with applicable IRS Code and Regulations.

a. Include the quality control procedures and system edits used for controlling and tracking claims.

b. How does your organization ensure the system is utilizing current IRS codes and regulations?

**7.10.3** Describe your organization’s ability to directly pay providers using ACH and check for all programs for which you are proposing. Providers may include health care clinics and practitioners, dependent day care providers, parking merchants, and mass transit pass retailers.

**7.10.4** Describe the means used to support receipt and allocation of pre-tax contributions for the programs you are proposing (funds transfer with detail through FTP files or internet, ACH, other).

**7.10.5** Describe the average turnaround time and the guaranteed maximum turnaround time for claims processing currently provided for your clients.

**Note:** Claims processing turnaround time is from the date of receipt of a valid claim by the vendor to the date a check is mailed or electronically transferred to the participant. The turnaround time for dependent care claims may be counted from the time money is available in the participant's account to the date an authorized claim is paid.

**7.10.6** What is the average length of tenure for claims processing staff with your organization for the last three (3) years? Do not include statistics for other positions or for your entire organization.

**7.10.7** Describe how you handle the following and provide samples of participant communication for each as applicable:

Incomplete claims (i.e., claims which are not or cannot be processed due to missing information or documentation).

Claims that exceed available funds (especially regarding dependent care claims).

Lost checks.

Contributions received in error.

Reimbursement claims paid in error.

Outstanding checks.

**7.10.8** Provide an example of an explanation of reimbursement that would be sent to a participant. Include examples of explanations sent to participants whose claim was partially or wholly rejected.

**7.10.9** Describe your organization's quality control procedures for keeping complete and accurate claims records, documenting business processes, checking for errors, and reviewing processes for effectiveness and opportunities to improve.

a. Describe how your quality control processes would be applied to each stage of the programs being offered in your Proposal.

b. Describe in detail how the quality of data integrity will be maintained during a transition from another vendor to your organization, or when transitioning from your organization to another vendor.

**7.10.10** Provide a detailed description regarding the online storage of receipts and supporting documentation for claims disbursements. Include the following information:

1. The process for uploading images to your system.
2. The length of time images are stored in your system.
3. A description of how and when images are archived.

**7.10.11** Does your organization monitor the claims process used by the claims adjudicator to ensure claims are being processed accurately?

1. Upon discovery of a claim that was processed in error, describe how your organization rectifies the issue with the claims adjudicator, including the steps taken to ensure such an error does not occur again. What measures are used to improve the accuracy of processing claims?

## 7.11 Administrator Education and Resources

**7.11.1** Provide a sample administrator guide for each program you are proposing.

1. What is the development timeline for a Department-specific administrator guide?
2. What is the standard review timeline for administrator guides (e.g., Quarterly, annually)?
3. How would the Department request ad-hoc edits to the administrator guide?
4. What is the average turnaround time for edits?
5. How would the administrator guide be made available to the Department and Payroll Center/benefits specialist staff?

**7.11.2** Describe the informational materials provided to payroll center/benefits specialist staff to educate them on the program(s) you are proposing. Such materials could include presentation slides, webinars, or videos. In lieu of paper copies, you may provide links to online electronic copies of such informational materials.

**7.11.3** Provide a detailed description of any standard payroll center/benefits specialist training your organization conducts in an annual period for your clients. How do you propose offering training for the State’s Payroll Centers/benefits staff?

**Sections 7.12 – 7.14 apply to RFP ETD0052 Third Party Administration of the Health Savings Account Benefit Program**

## 7.12 HSA Administration

**7.12.1** Describe your health savings account (HSA) banking services or those of the custodian(s) you use. Name the custodian(s) and provide information about your partnership(s) with them. Describe any choices that HSA participants have in choosing a custodian.

**7.12.2** The Department requires that Contractor’s HSA offerings be FDIC insured. If your HSA offerings are not FDIC insured, indicate why and how Participant HSA funds would be protected.

**7.12.3** How does your system recognize and track qualified relative and dependent eligibility for claims? Describe any criteria or system capabilities you utilize.

**7.12.4** How does your system recognize and track HSA beneficiaries?

**7.12.5** Describe the process for a participant to add or change a beneficiary for their HSA. Provide a sample beneficiary designation form.

**7.12.6** Indicate your organization’s ability to bill administrative fees directly to a Participant who maintains an orphan HSA because they are no longer enrolled in the State HDHP.

**7.12.7** Does your organization have standard procedures to assist members in understanding the Customer Identification Program (CIP) and requirements? Provide examples of CIP materials, guides, and communications available.

## 7.13 Contributions

**7.13.1** Per IRS regulations, the Department allows HSA contributions via pre-tax payroll deduction, post-tax participant contributions, and post-tax third party contributions.

a. Indicate your organization’s ability to accept all allowable forms of HSA contributions, including any pertinent details regarding system specifications and timing.

b. Describe the process for participants and third parties to make post-tax contributions.

**7.13.2** Describe how pre-tax HSA contributions are handled. Specifically, provide a detailed overview of your system's ability to differentiate between pre- and post-tax HSA contributions. Provide a sample account summary for demonstration/reference. Explain any system limitations and any other available solutions.

**7.13.3** Indicate if the HSA accepts rollovers/transfers from other HSAs and medical spending accounts.

a. Describe the transfer process if applicable, including delays before funds are available.

b. Indicate if there are any limits on the amount of funds that may be rolled over or transferred.

**7.13.4** Can your system accept varying employer contributions based on individual/family coverage? If so, provide any pertinent details regarding system specifications and timing.

**7.13.5** What controls do you have in place to prevent a participant from over-contributing? Does your system have a reconciliation process in place to assist the account holder in identifying when excessive contributions might be made? If so, explain:

a. When and how employees will be notified about the excess contributions.

b. How refunds of excessive contributions are handled when there are employer contributions involved.

**7.13.6** Does your system have a reconciliation process in place to assist accountholders to identify when a contribution error may have occurred? If so, explain:

a. When and how participants will be notified about contribution errors, and

b. How contribution errors are handled, especially regarding corrections and offsets.

**7.13.7** Describe your organization's experience with participants mistakenly enrolling in the HSA, either by accident or when they are not eligible (due to disqualifying other coverage or lack of Department-required HDHP dual enrollment, etc.).

a. Explain what steps are typically taken to remedy any erroneous HSA enrollments, including contributions.

b. Explain if there are any procedural differences for remedying an erroneous HSA enrollment prior to the beginning of the plan year compared to mid-plan year.

## 7.14 Interest and Investments

**7.14.1** Detail the current investment options available to HSA participants and the associated rate of returns for the past five years. Include the following information:

1. Types of fund offerings (e.g., fixed-interest bearing account, money market fund, mutual funds, multiple mutual funds from one source, multiple mutual funds from several sources, other).
2. Minimum required account balances.
3. Available funds and fund fees.
4. Fund administration fees and fee disclosures.
	1. Provide a copy of any pertinent disclosure statements.
5. Interest rates and update schedules for money market or other interest bearing options (for funds that have not been invested).
6. Historical rate of return.
7. Transaction fees.

**7.14.2** How do you evaluate and update investment options to ensure the best return is available to Participants?

**7.14.3** What is the threshold balance in the account before a participant can invest funds?

**7.14.4** Is there an account balance maximum regarding investing funds?

**7.14.5** Do customer service representatives provide information on investment options?

1. If so, describe the information offered to participants.
2. If not, describe where or how customer service representatives direct participants for information regarding investment options.

**7.14.6** Describe the investment-related educational materials that are available to participants. In lieu of paper copies, you may provide links to online electronic copies of informational materials.

Provide sample brochures or flyers.

Provide sample educational presentations or videos.

Provide examples of any other pertinent investment-related materials that may be used to communicate information.

**7.14.7** Describe your practice for issuing tax-reporting forms to HSA account holders. Include information regarding tax Forms 8889, 1099-SA, and 5498-SA.

**Sections 7.15 – 7.21 apply to RFP ETD0053 for Third Party Administration of the Section 125 Cafeteria Plan, Employee Reimbursement Account (ERA) (Health Care Flexible Spending Accounts, Limited Purpose Flexible Spending Accounts, Dependent Day Care Accounts/Dependent Care FSA), and Commuter Fringe Benefit Account Programs**

## 7.15 ERA Administration

**7.15.1** The Department allows annual carryover for the Health Care Flexible Spending Account (FSA), the Limited Purpose FSA, and the Commuter Fringe Benefit Account Programs.

1. Describe your annual carryover process, including when carryover funds are available to participants.
2. Describe all available carryover options, including immediate availability (January 1) and post-runout period (March 31).
3. How does your organization ensure carryover funds are transferred accurately from one plan year to the next?

**7.15.2** Describe how your organization coordinates the Limited Purpose FSA with a Health Savings Account (HSA), including if the HSA is managed by a different vendor.

**7.15.3** The Limited Purpose FSA offered by the Department allows for eligible vision, dental, and post-deductible medical expenses:

a. Can your organization’s system accommodate eligible post-deductible medical expense substantiation? Explain how.

b. Are there any debit card limitations for post-deductible expenses? Explain in detail.

**7.15.4** In the event that a participant enrolled in multiple ERA programs experiences a qualified life change event, such as the birth of a child or marriage, and choses to cancel one benefit enrollment, indicate the following:

a. Can your organization accommodate different eligibility effective dates, such as end of the month of the last payroll contribution for the Health Care FSA and the end of the plan year for the Dependent Day Care Account Benefit Program? Explain.

b. Describe any debit card limitations or common issues associated with different eligibility effective dates.

**7.15.5** What internal reports and controls are available to help your organization monitor and ensure that Participants are not over or under contributing to their annual election?

**7.15.6** Can repayment of ineligible expenses that are paid out in error be requested through your system? Explain and outline how the process works and how the repayments can be made.

**7.15.7** The Department offers a runout period that allows a Participant until March 31 after the end of the Plan Year to submit or resolve their prior Plan Year claims. Does your system allow a Participant to use their debit card in the current Plan Year to pay out Prior Year claims expenses? If not, describe any configuration needed or options available to provide this service.

## 7.16 Section 125 Cafeteria Plan Administration

**7.16.1** How long has your organization been administering Section 125 plans?

1. How many Section 125 clients does your company currently have?
2. What is your smallest group, based on eligible population?

c. What is your largest group, based on eligible population?

**7.16.2** Describe in detail your organization’s experience in providing services for clients similar to the State, with a similar number of employees with multiple payroll reporting agencies and multiple payroll cycles using a variety of data platforms and combining multiple file submissions into one master submission, including electronic transfer via SFTP, FTPS, virtual private network, encrypted e-mail, and/or paper. Does your system allow an Employer to manually enter enrollments and contributions instead of submitting a file?

**7.16.3** Describe your organization’s experience administering non-ERISA plans, including:

a. Compliance assistance and guidance.

b. Reviewing and drafting plan documentation.

c. Conducting non-discrimination testing.

**7.16.4** Provide a detailed description and recent samples of any communication(s) provided to plan sponsors to educate them on regulatory changes.

**7.16.5** Describe in detail any compliance consultation services provided by your organization to the Department as part of the Contract.

a. Provide the names and titles of any individual(s) the Department will be able to consult for compliance guidance. Indicate if this is a dedicated compliance consultant and/or consultation team.

b. Include their position, qualifications, and years of relevant experience.

c. Indicate their years of relevant experience with government agencies.

d. Indicate their years of relevant experience with non-ERISA programs.

**7.16.6** Describe any additional, non-standard consultation services that may be made available to the Department. Any additional fees should be included in the FORM H – Cost Proposal Workbook.

**7.16.7** Describe any informational materials that would be made available to the Department and Payroll Center/benefits specialist staff to educate them on Section 125 plan documentation and non-discrimination testing. Such materials could include compliance bulletins, presentation slides, webinars, or videos. In lieu of paper copies, you may provide links to online electronic copies of informational materials.

**7.16.8** Provide an overview and/or schedule of any standard trainings your organization conducts on annual basis, including but not limited to tax guidance and non-discrimination testing, that would be available to the Department’s Payroll Centers/benefits specialist staff.

## 7.17 Plan Documentation

**7.17.1** Describe your organization’s experience in developing and maintaining plan documents for plans similar to the State’s with numerous benefit offerings and multiple payroll reporting agencies.

**7.17.2** Describe your organization’s experience in developing and maintaining plan documents for Non-ERISA government agencies.

**7.17.3** Provide at least two (2) sample Section 125 Plan, Plan Documents and Summary Plan Descriptions. These samples should ideally reflect a non-ERISA plan design and be similar to the plan documents outlined in RFP Table 1 (Section 125 Cafeteria Plan Document, Summary Plan Description, Transit and Parking Plan Document).

**7.17.4** Describe a sample revision schedule for a client’s Section 125 Plan, Plan Document, and Summary Plan Description. Indicate what will be done, when, how often, and who will be responsible for each step, as well as your organization’s preferred editing software and delivery method for draft materials.

**7.17.5** Describe what information and/or documentation is required from the Department in order to produce a Section 125 Plan, Plan Document and Summary Plan Description for the Department. See current plan documents linked in RFP Table 1.

**7.17.6** Indicate how your organization would prefer to receive plan and/or benefit updates, including your desired communication method and frequency (e.g., ad hoc, Quarterly).

**7.17.7** Describe your organization’s ability to customize plan documentation for the Department. Provide examples beyond just name customization, if possible (e.g., the Department logo, colors, terminology).

**7.17.8** Does your organization provide any guarantees to meet plan compliance requirements resulting from the findings of a third-party audit (e.g., Department of Labor, Legislative Audit Bureau, etc.)?

a. If so, describe the guarantee and provide any pertinent sample language and your documentation.

b. If not, explain.

**7.17.9** How does your organization ensure plan documents are compliant and up to date with federal requirements? Explain any resources and subject matter experts you may have in providing compliance consulting to clients.

## 7.18 Non-Discrimination Testing

**7.18.1** Identify the person(s) whose primary responsibility will be to coordinate non-discrimination testing activities, including supervision and training of vendor representatives, if applicable.

1. Include their position, qualifications, years of relevant experience, and location (local or home office).
2. Indicate their years of relevant experience with government agencies.
3. Indicate their years of relevant experience with non-ERISA programs.
4. Describe how testing responsibilities will be coordinated between the home and local office staff, if applicable.

**7.18.2** Based on the information included in this RFP, Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program, Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program, and the sample plan documents linked in RFP Table 1, what non-discrimination tests does your company recommend for the Department?

**7.18.3** Describe your organization’s experience in performing non-discrimination testing for similar plans with multiple payroll reporting agencies and multiple payroll cycles.

**7.18.4** Describe your organization’s experience in performing non-discrimination testing for non-ERISA government agencies.

**7.20.5** Provide an overview of the policies and procedures your organization has in place to ensure that all non-discrimination testing data is collected completed and accurate. Describe the data quality checks or processes in place to ensure accurate and reasonable non-discrimination testing results.

**7.18.6** What information does your organization require from the Department in order to conduct non-discrimination testing?

1. Indicate the file format specifications required for submission.
2. State your organization’s preferred file delivery method (e.g., sFTP, secure email, etc.).
3. Indicate the required demographic information, including but not limited to:
	* Number of eligible employees,
	* Identification of key employees/highly compensated employees,
	* Position classification information, and
	* Salary/compensation information.

**7.18.7** Provide a sample annual non-discrimination testing project plan. The plan should include, but not be limited to, the following details:

1. A summary overview of the implementation plan.
2. A detailed implementation schedule, including targeted completion dates for major deliverables.
3. Points of contact during non-discrimination testing.
4. Major tasks.
5. Constraints and/or risks.
6. Data and program set-up/configuration process.
7. An overview of the communication/education process.
8. Issue elevation and resolution protocol.

i. Testing verification and validation.

**7.18.8** Describe your organization’s resolution process in the event of a test failure.

a. Indicate if your organization provides guidance for correcting failures in order to bring the plan into compliance.

b. Indicate the amount and type of assistance and/or guidance that will be provided to the Department (e.g., personal meetings on a weekly basis, bi-weekly conference calls, etc.).

c. Describe when and how any additional/follow-up testing would be completed.

d. In the event of a failure due to a data collection error (Contractor or Payroll Center), how will your organization resolve the issue?

**7.18.9** The current vendor holds informational meetings with each of the nine (9) Payroll Centers on an individual basis in advance of beginning annual non-discrimination testing and as-needed. During these informational meetings, the current vendor provides an overview of the testing timeline and any pertinent changes, as well as reviews the details of required file specifications, and provides any necessary background information on non-discrimination testing for new Payroll Center staff.

1. Is your organization willing to continue conducting these informational meetings?
2. Who from your organization would be responsible for conducting the meetings? Indicate the proposed number of staff and their qualifications.
3. How many meetings would your organization be willing to conduct on an annual basis?

**7.18.10** Indicate whether a non-discrimination testing administrator guide can be developed and provided to Payroll Center/benefits specialist staff.

1. If possible, provide a sample non-discrimination administrator guide.
2. What is the development timeline for a Department-specific non-discrimination testing administrator guide?
3. What is the standard review timeline for the non-discrimination administrator guide (e.g., Quarterly, annually)?
4. How would the Department request ad-hoc edits to the non-discrimination administrator guide?
5. What is the average turnaround time for edits?
6. Where would the non-discrimination administrator guide be made available to the Department and Payroll Center/benefits specialist staff?

## 7.19 Claim Substantiation

**7.19.1** The Department requires that all unsubstantiated Health Care FSA and Limited Purpose FSA claims automatically enter into a progressive five-step recovery process:

* Step 1 - Substantiation request notification
* Step 2 - Claim denial and card deactivation
* Step 3 - Plan correction payroll withholding
* Step 4 - Offset approach availability
* Step 5 - Business debt recovery (collections) by the State

Outline your organization’s ability to facilitate the five-step recovery process, including:

1. Your recommended offset process for unsubstantiated claims.
2. Samples of all pertinent unsubstantiated claim communications, both in letter and email format.
3. Copies of all pertinent forms related to unsubstantiated claims.
4. Your ability to provide accurate substantiation reports to Payroll Centers throughout the plan year.
5. Your ability to provide accurate substantiation reports to Payroll Centers during the run-out period.
6. Your ability to collect business debt as repayment and payment options (Step 5).
7. Your process and ability to track and report on this process.

**7.19.2** Can your organization deactivate a Participant’s debit card if a denied claim is not substantiated within 85 Calendar Days? Explain the process. How will the Participant be notified about their deactivation status?

**7.19.3** In an instance when a participant’s debit card has been deactivated due to an unsubstantiated claim, can your organization’s system automatically reactivate the debit card once the claim is substantiated?

a. If so, describe the reactivation process and provide any pertinent details.

b. If not, describe the reactivation process and average length of time until the debit card is reactivated.

**7.19.4** Describe your standard process to facilitate claims offset for unsubstantiated debit card transactions.

**7.19.5** Describe in detail any differences in the substantiation process between claims submitted via debit card and claims submitted manually via Reimbursement Request form or mobile application for all ERA programs, as well as how claims accuracy is ensured.

a. Specifically note any differences in the substantiation process between the Health Care FSA, Limited Purpose FSA, Dependent Day Care , and Commuter Fringe Benefit.

b. Provide any pertinent statistics regarding the number of auto-substantiated debit card claims compared to manual claims for the Health Care FSA, Limited Purpose FSA, Dependent Day Care, and Commuter Fringe Benefit programs.

**7.19.6** Describe the informational materials that may be developed by your organization to educate participants about substantiation requirements. Educational materials may include but are not limited to the following:

a. Brochures and flyers.

b. Participant guide language.

c. Presentations, webinars, or informational videos.

Provide examples of any pertinent educational materials that may be used to communicate substantiation requirement information to participants.

**7.19.7** Describe the informational materials that may be developed by your organization to educate administrators, including Payroll Center and benefits specialists, about substantiation requirements. Educational materials may include but are not limited to the following:

Brochures and flyers.

Participant guide language.

c. Presentations, webinars, or informational videos.

Provide examples of any pertinent educational materials that may be used to communicate substantiation requirement information to administrators.

**7.19.8** Can your system prevent prior Plan Year claims from processing after the runout period has ended (March 31)? Explain how and whether any new system configuration to provide this is needed on your part.

**7.19.9** Can a Participant resolve their claims substantiation during the runout period (January 1 – March 31) through the following platforms? If there is a system limitation, explain.

Mobile application.

Online portal.

## 7.20 Dependent Day Care Account

**7.20.1** Per IRS regulations, the State does not allow a Participant to carryover money in a Dependent Day Care Account.

a. Describe what measures your organization takes at the end of the plan year to prevent erroneous carryover.

b. Provide samples of any standard communications sent to Dependent Day Care Account participants prior to the end of the plan year, reminding them to utilize the remaining funds in their account.

**7.20.2** Describe your organization's experience with participants mistakenly enrolling in the Dependent Day Care Account program when they meant to enroll in the Health Care FSA, or vice versa.

a. Explain what steps are typically taken to remedy any erroneous account type enrollments.

b. Explain if there are any procedural differences between an erroneous account enrollment prior to the beginning of the plan year compared to mid-plan year.

c. Explain if there are any limitations or time limits to remedy an enrollment error.

**7.20.3** How does your system recognize and track qualified dependent eligibility for claims? Describe any criteria or system capabilities you utilize.

**7.20**.**4** Indicate if Dependent Day Care Account expenses can be administered by using the debit card.

a. If so, are any additional steps required from the participant to utilize the debit card?

b. Describe any debit card limitations or common issues associated with Dependent Day Care Accounts.

**7.20.5** Does your system allow Participants to setup reoccurring Dependent Day Care Account claims for reimbursements without additional documentation after the first claim has been substantiated? Explain.

## 7.21 Commuter Benefit Accounts Administration

**7.21.1** Confirm that your organization will allow an eligible participant to enroll in both a parking and a transit account. If not, explain why.

**7.21.2** The Department allows unlimited carryover for parking and transit accounts.

1. Confirm that your organization can support the continuation of unlimited carryover.
2. Describe the annual carryover process for parking and transit accounts. Be specific.
3. Describe the protocols in place to ensure carryover funds are transferred accurately from one plan year to the next.

**7.21.3** The State allows parking and transit account Participants to change their election and enrollment at any time, with changes effective the first of the month following their change request.

a. Describe the process a Participant would be required to complete to change their election.

b. Confirm your organization can support enrollments at any time throughout the year and describe the enrollment process a Participant would be required to complete.

**7.21.4** Describe your organization's experience with participants mistakenly enrolling in the parking account when their employer already deducts their parking expenses via pre-tax payroll deduction.

a. Explain what steps are typically taken to prevent erroneous parking account enrollments.

b. Explain if there are any procedural differences for remedying an erroneous parking account enrollment prior to beginning to the plan year compared to mid-plan year.

**7.21.5** Describe in detail any differences in the substantiation process between claims submitted via debit card and claims submitted manually via a Reimbursement Request form or mobile application for both parking and transit accounts.

**7.21.6** Provide additional information regarding the ability for parking account participants to use their debit cards at parking facilities. In addition to the merchant list submitted in response to 7.9.11, provide the names, locations, and zip codes of public parking ramps and lots in Wisconsin major metropolitan areas where a Participant may successfully use their debit card. Include information on whether or how your organization uses unsuccessful debit card transactions to add new merchants to the list. Describe your organization's ability to work with merchants and the card vendor to improve / increase locations where cards can be used.

**7.21.7** Provide additional information regarding the ability for parking account participants to utilize alternate payment methods for parking services. For example, does your organization permit a participant to submit a Reimbursement Request for payment to be sent directly to a parking provider. Provide any pertinent details, including processing time or procedures for resolving common issues (e.g., lost check, insufficient parking account funds, etc.).

**7.21.8** Provide additional information regarding the ability for transit account participants to use their debit cards to purchase transit passes. In addition to the merchant list submitted in response to 7.9.11, provide the names, locations, and zip codes of mass transit vendors in Wisconsin major metropolitan areas where a Participant may successfully use their debit card to purchase transit passes.

**7.21.9** Provide the names and website addresses of any mass transit vendors where a participant may successfully use their debit card to purchase transit passes online. Provide any pertinent details, including standard delivery time and any associated delivery or transaction/processing fees the participant may be responsible for.

**7.21.10** Parking and transit accounts require a minimum balance for the balance to be automatically carried over into the new plan year. Describe how your system and carryover balance report will account for this to ensure funds are carried over properly; include your audit and review process for this.

# Cost

**This section is scored. (200 total points per RFP)**

All Proposers must complete the appropriate tabs of FORM H – Cost Proposal Workbook, for the RFPs being responded to. All fees should be entered into the appropriate cells (implementation, set-up, per participant per benefit per month (PPPBPM), “Additional Services,” etc.). Instructions on how to submit the Cost Proposal Workbook are provided in [Section 2.6](#_Preparing_to_Upload) above.

The Department reserves the right to clarify any pricing discrepancies related to assumptions on the part of the Proposers. Such clarifications will be solely to provide consistent assumptions from which an accurate cost comparison can be achieved for scoring.

Costs included in Proposer’s Cost Proposal Workbook shall remain firm for the Initial Contract Term.

Only dollar and number values will be accepted on the Cost Proposal. Any description other than number value such as, but not limited to: “no cost,” “included,” “see below,” “-" , “n/a,” etc. will not be accepted. A cost value of $0.00 shall indicate the deliverable is no cost to the Department.

If a cost is not provided in a cell, it will indicate the Proposer does not provide the specific service.

Cost Proposals that are not otherwise confidential under state or federal law are not Confidential Information. Proposers cannot designate their Cost Proposal Workbooks as confidential or proprietary.

**The listing of any dollar amounts related to any Proposer service or fee is not allowed within the Proposer’s written Proposal. All dollar amounts for any service or fee proposed by the Proposer are required to be listed only in Form H – Cost Proposal Workbook.**

## Travel Expenses

The Contractor’s and any Subcontractors’ travel expenses (e.g., airfare, lodging, meals, other transportation costs, and insurance) and other miscellaneous expenses related to the provision of Services under the Contract(s) must be included in the Proposer’s Form H – Cost Proposal Workbook and must not be an additional charge to the Department.

## Additional Services

Proposer may submit proposed “Additional “Services” in the appropriate sections of Form H – Cost Proposal Workbook, for related services beyond the services requested in this RFP, to be considered as part of contract negotiations.

Proposer’s proposed “Additional Services” may be considered by the Department, and will only be implemented or delivered at the Department’s written approval and request. Their inclusion in the Contract is not a guarantee, either stated or implied, of the demand for the proposed services. The Department is not obligated to implement or utilize any proposed Additional Service listed on the Cost Proposal. Throughout the term of the Contract, the Department retains full control and flexibility with regard to the types, quantities, and timing of any Additional Service. Additional Services listed in the Cost Proposal may not be dependent on implementation or delivery of any service described in this RFP.

# Contract Terms and Conditions

**This section is NOT scored.** **(0 points)**

## Final Contract

The Department may execute one or more Contracts with the awarded Contractor(s). A Pro Forma Contract by Authorized Board (sample) is included as Appendix 1 as an example. The Contract(s) and any subsequent renewal(s) will incorporate all terms and conditions included in this RFP, including all forms, exhibits, appendices, etc., made a part of this RFP, and Contractor’s Proposal. The Department will draft the Contract(s).

By entering into a Contract with the Department, the Contractor guarantees it has the resources to provide and perform the Services per the terms of the Contract. After the date the Contract is executed, if the Contractor requires additional resources to fulfill the terms of the Contract, the Contractor will bear all costs for such additional resources.

## Contractor Performance

The Contractor is responsible for the performance of any obligations that may result from the Contract(s) and will not be relieved by the non-performance of any Subcontractor. Proposals must identify all proposed Subcontractors and describe the contractual relationship between the Proposer and each Subcontractor (use Form C – Subcontractor Information).

## Payment Terms

a. If a Contractor is not already set up in the State’s payment system, Contractor must complete the State’s banking and payment forms to facilitate the Department’s payments to the Contractor. The Department will provide the forms to the Contractor.

b. The Department will transmit payment to the Contractor for that month’s administrative fee invoice based on the number of Participants in each of the Benefit Programs. The Department may hold any payment upon discovery of errors or discrepancies in an invoice until the error or discrepancy has been resolved. See the Financial Provisions section in Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program for additional invoicing and payment information.

c. The Department will make payments to the Contractor via ACH.

d. The Contractor must perform the Services and all obligations under the Contract(s). The total cost to the Board for the Contractor’s performance of the Services must not exceed the limitation set forth in the Contract (if a limit is set). The Board is not obligated to reimburse the Contractor for billing in excess of the limits set forth in the Contract, and the Contractor will not be obligated to continue performance of work under the Contract or to incur costs for additional requirements identified by the Board that are not specified in the Contract, unless and until an amendment to the Contract is approved by the Board and signed by the Contractor and the Board.

e. The Department will provide the Contractor with an invoice for any missed performance standards after the calendar quarter in which the performance standard was not met by the Contractor. See Section 205A of Appendix 6 – Program Agreement – RFP ETD0052 HSA Health Savings Account Program and/or Appendix 7 – Program Agreement – RFP ETD0053 Section 125 Cafeteria Plan, Employee Reimbursement Account Benefit Program, Commuter Fringe Benefit Program, depending on which RFP(s) you submitted a Proposal for.

f. Other payment terms and conditions are listed in Appendix 2 – Department Terms and Conditions.

g. Final payment arrangements, if different than stated herein, will be finalized during Contract negotiations.

## Data Agreements

The Contractor may be required to sign agreements similar to Appendix 8 – Data Supplier Agreement (sample) and Appendix 9 – Non-Disclosure Agreement (Data Out) (sample), which are attached to this RFP as **samples** and must be negotiated among the parties named in those agreements and signed prior to implementation.

## Cooperative Purchasing Clause

Other institutions, such as state, local and public agencies, occasionally express interest in participating in Department contracts. The Department would like the Contractor to extend the terms, conditions and prices of the Contract(s) that result(s) from this RFP to any such entity. Any institution that would contract with the Contractor for the Services provided under the Contract(s) will finalize their own contract with the Contractor and issue their own purchasing documents. The Contractor agrees that the Department bears no responsibility or liability for any agreement between the Contractor and the other entity that desires to exercise this option. Please note your agreement or disagreement with this clause on Form E – Vendor Information.