December 8, 2021

AMENDMENT NO. One (1)
RFP Number #2-1221
Flexible Spending Account (FSA) and COBRA Administration

Proposal Opening Date: December 15, 2021 at 2:00 p.m., Arizona Time.

This Amendment supplements and amends the original Specifications and shall be taken into account in preparing proposals, and become a part of the Contract Documents. In case of conflict between the original Specifications and this Amendment, this amendment shall govern. Careful note of this amendment must be taken by the offeror.

RESPONSES TO QUESTIONS RECEIVED BY THE DEADLINE OF 12:00 P.M., NOVEMBER 29, 2021 (QUESTIONS RECEIVED AFTER THIS DATE AND TIME WILL NOT BE ADDRESSED)

1. QUESTION: Due to COVID-19, the proposing vendor strongly prefers to refrain from sending any physical copies or USB proposals during this time in accordance with best practices regarding COVID-19 and to keep ourselves, consultants, and clients safe and healthy. Can you confirm if Phoenix Union High School District No. 210 will accept electronic-only submission via email in light of the current situation?

RESPONSE: As indicated on page 26 of the RFP Document: Please note: Electronic Only Submittals cannot be accepted. Please submit as requested in the RFP document. Signatures do not have to be original. The District will accept signature copies. The Non-Collusion and Non-Gratuity Affidavit must be notarized. Vendors may submit a notarized original or they can provide the online notary. Notary can be electronic, see highlighted note on the bottom of page 53 regarding this.

2. QUESTION: Please confirm if vendors who do not have LOCAL field reps will be considered for this opportunity? (Special Terms and Conditions, section 9.Local Representative, page 26). In person travel is subject to CDC guidelines/corporate policies regarding travel at the time of the request.

RESPONSE: Not as long as there is availability via phone or email, during regular business hours. Agreed regarding CDC travel guidelines.

3. QUESTION: Will there be a finalist opportunity?

RESPONSE: That will be determined once the analysis of the proposals is completed.

4. QUESTION: Who does Phoenix Union High School District us as a ben admin / HRIS system?

RESPONSE: iVisions from Tyler Technologies

5. QUESTION: Is there an opportunity to quote HSA Administration also?

RESPONSE: Not at this time.
6. QUESTION: What are the key drivers for Phoenix Union High School District to market these lines?

RESPONSE: Per procurement rules, every 5 years the District must perform standard due diligence and market the coverages.

7. QUESTION: What is the Key Decision factors?

RESPONSE: Ability to meet the needs of the District.

8. QUESTION: Does Phoenix Union High School District have a budget in place for FSA/COBRA Administration?

RESPONSE: N/A

9. QUESTION: RFP; page 4; Uniform Instructions to Offerors; 3. Offer Preparation; C. Evidence of Intent to be Bound. Failure to submit verifiable evidence of intent to be bound, such as an original signature, shall result in rejection of the Offer. However, page 26 of the RFP indicates that signatures do not have to be original.

   • Please confirm that wet longhand signatures are not required.
   • Please confirm that electronic signatures are acceptable.

RESPONSE: Please note: Electronic Only Submittals cannot be accepted. Please submit as requested in the RFP document. Signatures do not have to be original. The District will accept signature copies. The Non-Collusion and Non-Gratuity Affidavit must be notarized. Vendors may submit a notarized original or they can provide the online notary. Notary can be electronic, see highlighted note on the bottom of page 53 regarding this.

10. QUESTION: RFP; page 4; Section 3.D. indicates the Offeror’s preprinted or standard terms will not be considered as a part of any resulting Contract. We note, however, the (i) Special Terms and Conditions and (ii) Uniform General Terms and Conditions are not adequate to form an appropriate contract that sufficiently sets forth the respective rights and obligations of the parties.

We highly recommend that our response to the RFP include a copy of our standard Master Services Agreement (MSA) containing the terms under which we do business with all clients. We recommend using this because it precisely addresses, describes and supports the issues specific to and relevant to providing the services proposed. We are amenable to (i) negotiating certain provision of our standard MSA and (ii) including as part of the contract the (A) Special Terms and Conditions and (B) Uniform General Terms and Conditions, subject to the exceptions we itemize on the Deviation and Exceptions Form. Is this approach acceptable?

RESPONSE: Please refer to Page 22, Item 8. Offeror Required Contract/Agreement which reads “If your firm will require the District to sign any form of contract/agreement a copy of that contract/agreement shall be included with this Offer. Contents and stipulations contained in the contract/agreement shall be part of the evaluation criteria.” The District will negotiate in good faith any required language modifications to a vendors MSA.

11. QUESTION: RFP page 42; COBRA Administration questionnaire; 1.m. Quarterly reports demonstrating whether your organization has met the performance standards submitted with your proposal as required?

This item requires a ‘Yes’ or ‘No’ response but nowhere else in the RFP are performance standards requested. Are vendors required to include service level standards with their submissions?

RESPONSE: Please provide performance guarantees around the criteria described on pages 29 and 30 in the RFP document.
12. QUESTION: RFP pages 53; require the signature of a Notary Public. Although page 26 allows for an electronic notary (as this practice is allowed in Arizona), it is not allowed in Utah (where our headquarters are located). We wish to defer all hardcopy, wet, longhand, original signature and/or notary requirements until award negotiations.

Please allow for all notary activities to be postponed until the contract award and negotiation phase.

RESPONSE: See Q #1

13. QUESTION:

RFP; page 25; 6. Terms of Award - Per A.A.C. R7-2-1024(B.1.i), it is the intent of the District to award a multi-term contract, beginning July 1, 2021, and continuing until June 30, 2022. If all conditions are met during this period of time, this contract can be extended, if funding is available, for up to an additional four one-year contracts. However, no contract exists unless and until a purchase order is issued each fiscal year.

It is expected that Governing Board approval for this contract will be made in March, 2021.

Please confirm the above-referenced date should reflect March, 2022?

RESPONSE: March 2022 is correct.

14. QUESTION: Offerors are instructed to place the Vendor Information Request Form in both Tabs 1 and 5, on the Checklist on page 45 of the RFP.

Under which tab should the completed Vendor Information Request Form be included?

RESPONSE: Put it in Tab 1 please.

15. QUESTION: The FSA Rates tab in the PXU FSA_COBRA Admin RFP Exhibit Workbook 2022 requires rates to remain valid for 90 days from the date this proposal is submitted. However, page 34 of the RFP; item 3 in the Minimum Contractual Requirements table indicates the bid should be guaranteed for 180 days.

QUESTION: Please confirm the required rate guarantee period.

RESPONSE: 180 days.

16. QUESTION: The COBRA Rates tab in the PXU FSA_COBRA Admin RFP Exhibit Workbook 2022 requires that fees include coordination with the Arizona State Retirement System (ASRS).

QUESTION: Will a bid be rejected if the COBRA rate does not include State coordination?

RESPONSE: To clarify, The District sends the information regarding the subsidies to the COBRA TPA. The COBRA TPA doesn’t coordinate with the state directly.

17. QUESTION: What is the claim funding arrangement and frequency of funding between the District and the vendor?

RESPONSE: Will be responded to in Amendment #2.

18. QUESTION: Will the vendor have ACH access to a District bank account for claims? If not, will prefunding be provided?

RESPONSE: Will be responded to in Amendment #2.

19. QUESTION: Will the District supply the vendor with a payroll file of actual FSA contributions data? If so, will the District conform to the vendor file specs?

RESPONSE: Will be responded to in Amendment #2.

20. QUESTION: Will the District provide an electronic open enrollment and ongoing file for new hires, terminations and changes? If so, will the District conform to the vendor file specs?

RESPONSE: The District does an open enrollment file and new hire files. Otherwise, they currently do the changes manually via their website, but could work with vendor file specs.
21. QUESTION: Can you disclose current Per Participant Per Month FSA pricing? Does current FSA pricing include the debit card?
RESPONSE: $3.70 debit card included.

22. QUESTION: Is the COBRA administrator expected to pay carriers directly? Or can COBRA premiums be remitted to the District on a monthly basis?
RESPONSE: Will be responded to in Amendment #2.

23. QUESTION: Can you disclose current COBRA pricing?
RESPONSE: $0.45 PEPM

24. QUESTION: What is the District’s COBRA activity - approximately, how many terms per year? How many new hires?
RESPONSE: New Hires 250, Terms 150

25. QUESTION: When is Open enrollment?
RESPONSE: Annually April/May

26. QUESTION: The RFP states that the successful bidder must be compliant with the District’s insurance requirements, but no details are provided. Please provide information regarding the District’s insurance requirements.
RESPONSE: Please disregard language in the RFP which refers to District’s insurance requirements.

27. QUESTION: Page 46 of the RFP references a Vendor Information Sheet, but this exhibit is not provided in the RFP. Please provide.
RESPONSE: See the Excel Workbook embedded on page 44 (Attachments and Exhibits) under the Vendor Information tab.

28. QUESTION: Please provide additional details on the specific requirements for coordinating the subsidy program with ASRS.
RESPONSE: See Q #16

29. QUESTION: The District has requested that policy booklets and certificates be provided as applicable. Please elaborate on what materials are expected to be provided for FSA administration.
RESPONSE: CAFETERIA PLAN With Premium Payment, Health FSA and DCAP Components, and Summary Plan Description similar to the attachments in the RFP.

30. QUESTION: Identify name of each medical, dental and vision carrier(s).
RESPONSE: Blue Cross Blue Shield of Arizona, Delta Dental, Total Dental Administrators, Vision Service Plan

31. QUESTION: Under the Additional Solicitation Information, section F page 7 under payments, RFP states the following: Payments. Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment within thirty (30) days. Will the District accept Net 15 as opposed to Net 30?
RESPONSE: No. Net 30 days is required by Arizona Statute.

32. QUESTION: Can you provide the current BASIC Western USA fee schedule on the FSA?
RESPONSE: See Q #21.

33. QUESTION: Can you provide the current BASIC Western USA fee schedule on the COBRA?
RESPONSE: See Q #23.
34. QUESTION: Reference: Questionnaire / Minimum Contractual Requirements / Question 19 Right to Audit: Phoenix Union High School District reserves the right to review and audit the short term disability and life plan’s files and financial accounting data to assure that claims subject to each proposed coverage are evaluated in accordance with the plan provisions. Question/Suggestion: Please replace “short term disability and life” with “FSA and COBRA services”.

RESPONSE: Apologies for the error, since this RFP is for FSA/COBRA that is what it should have stated.

35. QUESTION: Reference: Questionnaire / General Information / FSA and COBRA Administration / Question 3: If your firm is not a corporation, please advise who each of the partners, proprietors or other owners are and whether they have interest in any dental services provider firms. Question/Suggestion: Please replace “dental services” with “FSA and COBRA services”.

RESPONSE: Apologies for the error, since this RFP is for FSA/COBRA that is what it should have stated.

36. QUESTION: Reference: Questionnaire / General Information / FSA and COBRA Administration / Question 5: Have you been involved in litigation within the last five years arising out of your performance in the administration of a Group Life/AD&D Plan? Exclude routine matters involving participants that do not reflect on your performance under the contract with your client. If the answer is yes, explain fully. Question/Suggestion: Please replace “Group Life/AD&D Plan” with “FSA or COBRA plan”.

RESPONSE: Apologies for the error, since this RFP is for FSA/COBRA that is what it should have stated.

All amendments will be posted on www.azpurchasing.org. It is the vendor’s responsibility to view the web page regularly, or prior to submitting a bid response, to ensure that no amendment or additional information have been issued for the solicitation.

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Vendor shall acknowledge receipt of this amendment by signing in the appropriate space on the Acknowledgement of Amendment Form – page 52 of the original solicitation document. Failure to acknowledge the amendment shall deem a proposal as non-responsive.