



ADDENDUM #1
RFP NUMBER: 2015025-HR-P
Administration of Flexible Spending Accounts RFP

DATE: February 13, 2015

TO: All Potential Offerors

City of Harrisonburg's Administration of Flexible Spending Accounts RFP, is modified as follows:

1. Question: Why is the City bidding at this time?

Answer: It is the City's decision at this time to shop for these benefits in order to provide competitive pricing.

2. Question: Are there any service issues to be mitigated at this time?

Answer: No.

3. Question: Is there a debit card offered as a means of payment at this time? If offered, is there a separate fee?

Answer: Yes, employees enrolled in the Flexible Spending program currently are provided with a debit card as a means of payment. The City would like to keep this as an option to its employees. We currently do not pay a separate fee for use of the debit card services.

4. Question: If offered, is it a compliant process, requiring documentation as stipulated by the IRS?

Answer: All products and services offered and contracted should be in full compliance with IRS regulations, per Section 125, as noted in the RFP document on pages 2 & 17.

5. Question: Are there any services not being offered now that the City would like to add?

Answer: Please reference the RFP document (Section II. Scope of Services) for the services being requested and expected by the City.

6. Question: What is the Open Enrollment period? What is the Plan Year? (II. A.)

Answer: Please reference the RFP document for a detailed description of the Open Enrollment period and what it entails (see page 3, II, C. Open Enrollment Specifications). The plan year is also provided in detail within the RFP document (see page 15, XI. Renewals).

7. Question: How many annual events are expected? (II. D. 1)

Answer: Annually, no more than ten (10) meetings over the course of approximately eight (8) days, including attendance at the Employee Health & Benefits Fair in the spring.

8. Question: How many employee meetings are scheduled? Are they on consecutive days? (II.D. 2)

Answer: See above response to question #6.

9. Question: What are the current fees being paid for FSA?

Answer: The current fee is \$5.00 per person per month.

10. Question: Is a Debit Card offered for the FSA plan?

Answer: See response to Question #3.

11. Question: How long has your current TPA been a vendor for the FSA?

Answer: Since 7/1/2005

12. Question: Any issues with the current TPA?

Answer: No

13. Question: How many payroll files will be sent each month?

Answer: The City deducts payroll deductions on a bi-weekly basis for twenty-six (26) payroll periods. Every payroll, the Finance Department will send a payroll file (MS Excel Spreadsheet).

14. Question: What are the current payroll cycles, i.e. monthly, semi-monthly, bi-weekly or weekly?

Answer: See response to Question #13.

15. Question: When will Open Enrollment be held? How many locations and how many meetings will be held? Will meetings be mandatory for the employees to attend? Will onsite representation be required of the selected TPA for multiple days?

Answer: See response to Questions #6 & #7. Human Resources provides numerous Open Enrollment meetings, generally at least one (1) meeting per department and sometimes multiple meetings per department. We will be requesting on-site participation from the TPA chosen for the larger departments, minimally.

16. Question: Is an on-line enrollment system utilized? If so, who is the enrollment vendor?

Answer: An online enrollment system is offered by the current provider, Layman, Diener and Borntrager currently during the Open Enrollment period. We do not have the name of the enrollment system available, but we do prefer to keep an online enrollment system.

17. Question: Will enrollment files be received from the enrollment vendor directly?

Answer: If the vendor offers online enrollment, that option will be offered to the employees and some employees may decide to enroll directly with the TPA during the Open Enrollment period.

18. Question: Will education materials be mailed to the employee home address or handed out at enrollment meetings? Will custom printed materials be needed?

Answer: Enrollment information for all City plans will be provided to the employee during Open Enrollment and the materials will be hand-delivered. The Finance Department mails health insurance information to those employees who continue to participate in the City's health insurance plan. The Human Resources Department mails information to former employees who participate through COBRA. We do not see a need for custom printed materials but educational materials will definitely be needed.

19. Question: Are there additional mailings required during the plan year?

Answer: Only if there are regulated changes which will affect participating employees.

20. Question: Do you expect attendance at Benefit Fairs? If so, how many days annually?

Answer: The City's Health and Benefits Fair is scheduled one (1) time per year currently. The next Fair is currently scheduled for Friday, May 1, 2015 from the hours of 8:00 am to 2:00 pm. Vendors are expected to participate and be available for employees for the entire six (6) hours. The Health and Benefits Fair has not yet been scheduled for 2016.

All other requirements, terms and conditions of the RFP remain unchanged.

Addendum page must be signed and returned with your proposal to acknowledge receipt of this addendum.

Authorized Signature

By: Pat Hilliard, CPPB
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