



ROANOKE COUNTY

FINANCE AND MANAGEMENT SERVICES DEPARTMENT
PURCHASING DIVISION

ADDENDUM # 2

FOR

RFP # 2021-061

**Flexible Spending Account Administration and Health Reimbursement Account (HRA)
Administration for the Roanoke County, Roanoke County Public Schools, and WVRJA**

**OPENING DATE: February 8, 2021
OPENING TIME: 2:00 P.M.**

DATE of RFP: January 26, 2021

This **Addendum # 2** will be used to answer questions received.

DUE DATE AND TIME:
OPENING DATE: February 8, 2021
OPENING TIME: 2:00 P.M.

QUESTION(S):

- 1) What is the claims funding arrangement and frequency of funding between the County and P&A?
a) FSA Medical and HRA are prefunded each July 1st (or the 1st day of the month following a qualifying/life event change). The FSA Dependent Care is funded by pay period only.
- 2) Will the vendor have ACH access to a County bank account for claims? If not, will prefunding be provided?
a) Yes, Flex is completed through ACH.
- 3) Will the County supply the vendor with a payroll file of actual FSA payroll deductions and HRA contributions? If so, will the County conform to the vendor file specs?
a) We have a method for sending payroll files containing actual FSA deductions (not HRA). We will not conform to vendor file specs. Vendor must accept our current file formats.
- 4) Will the County provide an electronic open enrollment and ongoing file for new hires, terminations and changes? If so, will the County conform to the vendor file specs?
a) An initial open enrollment file can/will be provided at the beginning of each fiscal year. Automated files will continue throughout the year with every payroll closing to communicate hires/terminations/changes to FSAs and HRAs. Vendor must accept our current file formats.
- 5) Can you disclose the current Per Participant Per Month FSA administrative fee? Does this fee include the debit card or is that an additional fee?
a) The current fee is not being made available.
- 6) Can you disclose the current Per Participant Per Month HRA administrative fee? Does this fee include the debit card or is that an additional fee?
a) The current fee is not being made available.
- 7) Does the County desire or expect onsite enrollment meetings? If yes, approximately how many and how many locations?
a) We do not expect onsite enrollment meetings.
- 8) When is open enrollment?
a) County – Annually in May/June
b) Jail Authority – Annually, typically the first 3 weeks of May
c) School Division – Annually in May
- 9) Approximate award date?
a) Approximately March 15, 2021.

- 10) Do you want the plans set up separately or under one group with 3 divisions?
- a) **Set up should be one group with 3 divisions.**
- 11) Do you utilize a ben-admin system or payroll provider for sending enrollment files? If so who is it?
- a) **Yes. We use Infor Cloudsuite Human Capital Management as our system of record for benefits. Enrollment files are generated from this system. Deductions are interfaced to our Infor Lawson Payroll system. Payroll files with specific contribution amounts are generated from this system.**
- 12) Do you require in person benefit fairs (if we are back to normal business)? If so is there a required number of meetings?
- a) **County – Not required**
- b) **Jail Authority – Under normal circumstances (pre- and post-COVID), yes, it is expected for the vendor to be onsite for the Annual Benefit Fair each May.**
- c) **School Division – It would be nice, but it is not required.**
- 13) What are your current fees for these services?
- a) **The current fee is not being made available.**
- 14) I see that you use USI as your consultant, CYC works with USI offices. Can you let us know who you work with at USI?
- a) **Claire Harlin is our consultant but she is not able to discuss this project as it is an active solicitation.**
- 15) Any service issues that you are experiencing with your current provider?
- a) **County – No issues.**
- b) **Jail Authority – Trouble with Employee's Benefit Cards being issued once a file feed arrives.**
- c) **School Division – No issues.**
- 16) Whether companies from Outside USA can apply for this?
(like from India or Canada)?
- a) **Firms from outside of the USA may respond to this RFP but will be expected to be able to adhere to all requirements requested in the RFP including any n site meetings if required.**
- 17) Whether we need to come over there for meetings?
- a) **Quarterly meetings would be nice (once COVID restrictions are listed) and may be held in person.**
- 18) Can we perform the tasks (related to RFP) outside USA? (like, from India or Canada)
- a) **Yes.**
- 19) Do the three entities within the County of Roanoke make decisions collectively or may they make independent decisions?
- a) **The entities will make one collective decision to work with one vendor.**

- 20) What specific expenses are eligible under the HRA?
- a) **See Attachment A to Addendum # 2 below. All services eligible to be reimbursed under a health FSA may also be reimbursed under the HRA.**
- 21) Is the HRA contribution available right away on the first day of the plan year?
- a) **Yes.**
- 22) Can you share the utilization rate of the HRA?
- a) **The utilization rate is not currently available.**
- 23) Are you able to share the current FSA and HRA administrative fees that are in place today?
- a) **The current fees are not being made available.**
- 24) Are there any current pain points with the incumbent? What would be three things that could be easier or simpler than they are today?
- a) **County – No issues.**
b) **Jail Authority – Trouble with Employee’s Benefit Cards being issued once a file feed arrives.**
c) **School Division – No issues.**
- 25) Please confirm the technology platforms for HRIS, ben admin, enrollment, or payroll that are being used today. Will there be any changes in the future?
- a) **The three entities use GHR for HRIS, ben admin, and enrollment. This system interfaces to our payroll system, which is Infor’s S3 (Lawson).**
- 26) Are there any anticipated carrier (medical, dental, vision, etc.) changes for the future?
- a) **Not at this renewal (July 2021)**
- 27) Does the County offer a qualified HDHP? If not, is this a long-term strategy?
- a) **No, the County does not offer a qualified HDHP. Benefit offerings are reviewed annually as a part of strategic planning.**
- 28) How were open enrollment meetings handled in 2020 and how are you planning to conduct them in 2021?
- a) **Due to COVID-19, open enrollment was handled virtually using Brainshark presentation and emails. No changes are expected for 2021.**
- 29) The RFP states a requirement for 3 and for 5 references. Please clarify the amount and would the county be open to receiving references at time finalists are named?
- a) **We request to have 5 references.**
- 30) The RFP is not entirely clear on the need for a bid bond or a performance bond. Will that be a requirement or would the performance guarantees suffice?
- a) **Given this is not a construction-based contract a bid bond nor a performance bond will be required.**
- 31) Section 3, Letter D indicates that you require 5 references; however, Attachment B, Section V states that you require 3 references. Can you confirm how many should be provided in our RFP response?

a) We request to have 5 references.

32) Section 3, Letter J references a fee proposal form which should be completed and signed. We so see a section for Fees starting on page 15 and ending on page 16, but do not see a signature line. Would you prefer that we copy the information from this section to a separate document and add a signature line?

a) **As a Potential Offeror, if you complete the sections for fees and submit your proposal with the Signature Sheet (page 2 of the Original RFP), this will meet the requirement of the referenced signature required on the fee proposal form.**

33) Can you provide more details on the salary reduction agreement? Is this agreement between Roanoke and the member? Or something along those lines.

a) **The salary reduction agreement is between each employee enrolled in the medical plan and Roanoke. It is a standard salary reduction agreement.**

REQUIRED

ADDENDUM # 2

Sign and return with your bid package

Sign Name:

Print Name:

Date:

Company

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ROANOKE COUNTY PUBLIC SCHOOLS

Get reimbursed for out-of-pocket healthcare and child/aged adult day care expenses with tax free dollars!

MAXIMIZE YOUR INCOME!

Flexible Spending Accounts (FSAs) allow you to pay certain healthcare and dependent care expenses with pre-tax money. (The key to the Flexible Benefit Plan is that your eligible expenses are paid for with Tax Free Dollars!) You will not pay any federal, state or social security taxes on funds placed in the Plan. You will save approximately \$27.65 to \$37.65 on every \$100 you place in the Plan. The amount of your savings will depend on your federal tax bracket.

ELIGIBILITY

Participation in the Plan Begins on July 1, 2019 and ends on June 30, 2020. You are eligible to participate in the Plan on the first day of the month following your date of hire if you are a full-time employee working 30 hours per week or a full-time or part-time contracted employee. Those employees having a qualifying event are eligible to enroll within 30 days of the qualifying event. Deductions begin on the first pay period following your Plan start date. You must complete an enrollment to participate in the Flexible Spending Accounts each year during the enrollment period. If an enrollment is not completed during open enrollment, you will not be enrolled in the Plan and you will not be able to join until the next Plan Year or if you have a qualifying event.

ELECTION CHANGES

Election changes are only allowed if you experience one of the following qualifying events:

- Marriage or divorce
- Birth or adoption
- Involuntary loss of spouse's medical or dental coverage
- Death of dependent (child or spouse)
- Unpaid FMLA or Non-FMLA leave
- Change in Dependent Care Providers

REIMBURSEMENT SCHEDULE

All manual or paper claims received in the office of Flexible Benefit Administrators, Inc. will be processed within one week via check or direct deposit. You may also use your Benefits Card to pay for expenses. Please refer to the Benefits Card section for details.

ONLINE ACCESS

Flexible Benefit Administrators, Inc. provides on-line account access for all FSA participants. Please visit their website at:

<https://fba.wealthcareportal.com/> to view the following features:

- **FSA Login** – view balances, check status and view claims history-download participation forms
- **FSA Educational Tools** – FSA calculator: estimate how much you can save by utilizing an FSA.

THE HEALTHCARE ACCOUNT IS A PRE-FUNDED ACCOUNT

This means that you can submit a claim for medical expenses in excess of your account balance. You will be reimbursed your total eligible expense up to your annual election. The funds that you are pre-funded will be recovered as deductions are deposited into your account throughout the Plan Year.

Contribution Limits: The maximum you may place in this account for the Plan Year is \$2,700.

HEALTHCARE REIMBURSEMENT

With this account, you can pay for your out-of-pocket healthcare expenses for yourself, your spouse and all of your tax dependents for healthcare services that are incurred during your Plan Year and while an active participant. Eligible expenses are those incurred "for the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body." This is a broad definition that lends itself to creativity.

EXAMPLES OF ELIGIBLE HEALTHCARE EXPENSES

Fees/Co-Pays/Deductibles For:

- | | | |
|---|---|------------------------------|
| • Acupuncture | • Surgery | • Mileage |
| • Prescription Eyeglasses/ Reading glasses/ Contact lens and Supplies/ Eye Exams/ Laser Eye Surgery | • Dental/ Orthodontic Fees | • Take-home screening kits |
| • Physician | • Obstetrician | • Diabetic supplies |
| • Ambulance | • X-Rays | • Routine Physicals |
| • Psychiatrist | • Eye Exams | • Oxygen |
| • Psychologist | • Prescription Drugs | • Physical Therapy |
| • Anesthetist | • Artificial limbs & teeth | • Hearing aids and batteries |
| • Hospital | • Birth control pills, patches | • Medical equipment |
| • Chiropractor | • Orthopedic shoes/ inserts | |
| • Laboratory/ Diagnostic | • Therapeutic care for drug and alcohol addiction | |
| • Fertility Treatments | • Vaccinations & Immunizations | |

OVER-THE-COUNTER EXPENSES

Examples of medications and drugs that may be purchased in reasonable quantities with a prescription:

- | | |
|-------------------------------------|----------------------------|
| • Antacids | • First aid creams |
| • Pain relievers/aspirin | • Cough & cold medications |
| • Ointments & creams for joint pain | • Laxatives |
| • Allergy & sinus medication | • Anti-diarrhea medicine |

DAY CARE/AGED ADULT CARE REIMBURSEMENT

The Day Care/Aged Adult Care FSA allows you to pay for day care expenses for your qualified dependent/child with pre-tax dollars. Eligible Day Care/Aged Adult Care expenses are those you must pay for the care of an eligible dependent so that you and your spouse can work. Eligible dependents, as revised under Section 152 of the Code by the Working Families Tax Act of 2005, are defined as either dependent children or dependent relatives that you claim as dependents on your taxes. Refer to the Employee Guide for more details. Eligible dependents are further defined as:

- Under age 13
- Physically or mentally unable to care for themselves such as:
 - Disabled spouse
 - Children who became disabled prior to age 19.
 - Elderly parents that live with you

Contribution Limits: The annual maximum contribution may not exceed the lesser of the following:

- \$5,000 (\$2,500 if married filing separately)
- Your wages for the year or your spouse's if less than above
- Maximum is reduced by spouse's contribution to a Day Care/Aged Adult Care FSA

ELIGIBLE DAY CARE/AGED ADULT CARE EXPENSES

- Au Pair
- Nannies
- Before and After Care
- Day Camps
- Babysitters
- Daycare for an Elderly Dependent
- Daycare for a Disabled Dependent
- Nursery School
- Private Pre School
- Sick Child Center
- Licensed Day Care Centers

Ineligible Expenses

- Overnight Camps
- Babysitting for Social Events
- Tuition Expenses Including Kindergarten
- Food Expenses (if separate from dependent care expenses)
- Care Provided By Children Under 19 (or by anyone you claim as a dependent)
- Days Your Spouse Doesn't Work (though you may still have to pay the provider)
- Kindergarten expenses are ineligible as an expense because it is primarily educational, regardless if it is half or full day, private, public, state mandated or voluntary.
- Transportation, books, clothing, food, entertainment and registration fees are ineligible if these expenses are shown separately on your bill.
- Expenses incurred while on a Leave of Absence or Vacation.

HOW TO RECEIVE REIMBURSEMENT

To obtain a reimbursement from your Flexible Spending Account, you must complete a Claim Form. This form is available to you on our website. You must attach a receipt or bill from the service provider which includes all the pertinent information regarding the expense:

- Date of service
- Patient's name
- Amount charged
- Provider's name
- Nature of the expense
- Amount covered by insurance (if applicable)

Canceled checks, bankcard receipts, credit card receipts and credit card statements are NOT acceptable forms of documentation. You are responsible for paying your healthcare or dependent care provider directly.

HOW THE FLEXIBLE BENEFIT PLAN WORKS

	Without Flex Benefits	With Flex Benefits
Gross Monthly Income	\$ 2,500.00	\$ 2,500.00
Eligible Pre-Tax employer medical insurance	\$ 0.00	\$ 200.00
Eligible Pre-Tax Medical Expenses	\$ 0.00	\$ 60.00
Eligible Pre-Tax Dependent Child Care Expenses	\$ 0.00	\$ 300.00
Taxable Income	\$ 2500.00	\$ 1940.00
Federal Tax (15%)	\$ 375.00	\$ 291.00
State Tax (5.75%)	\$ 125.00	\$ 97.00
FICA Tax (7.65%)	\$ 191.25	\$ 148.41
After-Tax employer medical insurance	\$ 200.00	\$ 0.00
After-Tax medical expenses	\$ 60.00	\$ 0.00
After-Tax dependent child care expenses	\$ 300.00	\$ 0.00
Monthly Spendable Income	\$ 1248.75	\$ 1403.59

By taking advantage of the Flexible Benefit Plan this employee was able to increase his/her spendable income by \$154.84 every month! This means an annual tax savings of \$1,858.08. Remember, with the FLEXIBLE BENEFIT PLAN, the better you plan the more you save!

FORFEITING FUNDS

Plan carefully! Unused funds will be forfeited back to your employer as governed by the IRS's "use-it-or-lose-it" rule. Your employer has elected to add the \$500 roll-over provision to the Medical FSA. The 2.5 month Grace Period is still in place for the Dependent Care FSA. Please see the Employee Guide for more info.

HOW TO ENROLL IN OUR FSA PLAN**Step 1**

Carefully estimate your eligible HealthCare and Day Care/Aged Adult Care expenses for the upcoming Plan Year. Then use our online FSA Educational Tools located at <https://fba.wealthcareportal.com/> to help you determine your total expenses for the Plan Year.

Step 2

Complete your enrollment during the open enrollment period, which instructs payroll to deduct a certain amount of money for your expenses. This amount will be contributed on a pre-tax basis from your paychecks to your FSA. Remember the amount you elect will be set aside before any federal, social security, and state taxes are calculated.

BENEFITS CARD

The Benefits Card can be used as a direct payment method for eligible expenses incurred at approved service providers and merchants. Using your card allows you instant access to your funds with no out-of-pocket expense. Please keep all your itemized receipts. Flexible Benefit Administrators, Inc. may request documentation to substantiate Benefits Card transactions to determine eligibility of an expense. Benefits Cards are available upon request of the account holder for dependents over the age of 18.

Please contact Flexible Benefit Administrators, Inc. to order additional cards.

