



Park Hill School District Request for Proposal

Section 125 Plan Administration Services

Proposed Effective Date January 1, 2019





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Introduction & Bid Process

This document is a request for qualified companies to submit proposals to provide Park Hill School District (PHSD) with administration and claims payment services for its Flexible Spending Account Program (FSAP) and Premium Savings Plan. The contract period should be from January 1, 2019 to December 31, 2019 or longer.

Submission Requirements

1. Proposals will be received by Park Hill School District Office, Attn: Jo Ann Blakely, 7703 NW Barry Road, Kansas City, MO 64153, until **4:00 p.m., Monday, May 7, 2018**. Late proposals will not be considered.
2. Two printed, paper copies of the proposals, as well as an electronic copy on a flash drive, must be returned (with all necessary attachments) to PHSD by the proposal receipt date and time specified.
3. Any and all questions regarding this Request for Proposal must be directed in writing to **Michelle Conn (mconn@cbiz.com) at CBIZ Benefits and Insurance Services no later than April 16, 2018 at 4:00 p.m.**
4. Following is a schedule of the RFP process:

RFP Posted and Issued	Monday, April 9, 2018
Questions due to CBIZ	Monday, April 16, 2018
CBIZ Issues Response to Questions	Friday, April 20, 2018
RFP Closing	Monday, May 7, 2018
Contract Award	Thursday, August 16, 2018
Contract Effective Date	January 1, 2019

General Requirements

Said proposals must conform to the following specifications and instructions.

1. PHSD reserves the right to reject any and all proposals and to waive formalities. Upon review of each proposal, PHSD also reserves the right to request additional clarification, if needed, regarding networks, benefits, and funding.
2. The contractor agrees to hold PHSD harmless in any and all liability claims that might arise from the services provided by this contract.

3. The contractor agrees to comply with the Fair Labor Standards Act, Fair Employment Practices, Equal Opportunity Employment Act and all other applicable Federal, State and County Laws.
4. Services are to be provided in accordance with Section 125 of the Internal Revenue Code and all other laws and regulations which may become applicable from time to time. All proposals should assume that complete administrative and reporting services will be provided for a Premium Savings Plan as well as the following Reimbursement Account Plans: Medical Care Reimbursement Account Plan and Dependent Care Reimbursement Account Plan.
5. All reports generated for this contract shall become the property of PHSD upon completion of requirements. The contractor may not, for any reason, use any information or report without the express written consent of PHSD.
6. Your proposal must respond to the specific questions and requests for information addressed in this Request for Proposal. In responding, please include a letter stating the extent to which your proposal deviates from the Description of Required Services and indicate the reason for any deviation. If no statement of deviation is provided, it will be assumed that your proposal conforms to the Description of Required Services.

Evaluation Criteria

Each proposal should enable the evaluation committee to make a thorough evaluation and arrive at a sound determination as to whether or not the proposal will meet PHSD's requirements. Each proposal must be specific, detailed and complete as to clearly and fully demonstrate that the proposer has a thorough knowledge and understanding of the requirements.

Proposals will be analyzed by the District and CBIZ evaluation team using the following parameters:

- **Cost.** What is the overall cost of the benefit to the District and employees? What are the short-term costs, potential long-term costs?
- **Services.** What is the scope of the services being offered?
- **Administration.** Can the vendor provide reliable, consistent and fair administration? Does the vendor have data/technology systems that reliably integrate employee data, receive premiums, and that can provide datasets back to the District for analysis?

Contract Award

1. PHSD reserves the right, before making an award, to investigate whether or not the qualifications or services proposed by the offeror meet the requirements set forth in the proposal and are ample and sufficient to insure the proper performance of the contract in the event of an award.
2. Any notice of contract award resulting from this RFP will be made only by written authorization from PHSD.
3. PHSD reserves the right to make multiple and/or partial awards; waive any or all requirements of this RFP; accept or reject any or all proposals, if deemed by PHSD to be in the best interest of PHSD.

Statement of No Proposal

Note: If you do not intend to provide a proposal, please return this form immediately.

We, the undersigned, have declined to submit a proposal for Section 125 Plan Administration Services for the following reason(s).

- Insufficient time to respond to the R.F.P.
- We do not offer this product or service
- Ineligible Industry
- We are unable to meet specifications
- Not Competitive at this time
- Other (explain)

Remarks: _____

Company Name: _____
Signature: _____
Telephone: _____
Date: _____

Please fax to the attention of Michelle Conn at (816) 897-1511.

Background Information

General Background

PHSD is located at 7703 NW Barry Road, Kansas City, MO 64153. PHSD serves students in a 71 square mile area in Platte County, Missouri and is fully accredited by the state of Missouri. PHSD has approximately 1,452 full-time benefit eligible employees. PHSD consists of 10 elementary, three middle and two high schools; an innovation studio for high school level students, a day school for students with special needs, an Early Childhood Education Center, an aquatic center, support services facility and administrative facility. Estimated student enrollment for the current school year approximates 11,287 (K-12).

PHSD is committed to providing a quality Section 125 Administration program for its classified and certified employees.

- **Classification of Employees:** All full-time employees actively working 30 hours per week; Retirees and the surviving spouse of the retirees; Part-time employees based upon their contract with the District. Coverage for employees is effective the first of the month following their date of hire.

Current Plan

1. PHSD has been with Flex Made Easy since January 2016.
2. The annual Medical Care Reimbursement Account maximum is \$2,650. The annual Dependent Care Reimbursement Account maximum is also \$5,000.
3. PHSD plan year begins each year on January 1 and includes the \$500 rollover provision. Participants have 60 days from the end of the plan year to seek reimbursements for services incurred in the prior plan year.
4. Flex Made Easy charges a monthly per participant fee of \$3.00, which the employee pays.
5. Approximately 199 employees are enrolled in the Medical Care Reimbursement Account plan, 16 employees are enrolled in the Limited Medical Care Reimbursement Account plan, and 107 are enrolled in the Dependent Care Reimbursement Account plan.
6. The total annual deposits are approximately \$254,434 for the Medical Care Reimbursement Account plans and \$426,569 for the Dependent Care Reimbursement Account plan.

Description of Required Services

The objective of the RFP process will be to identify among multiple proposals the best employee program with the most effective price for Section 125 Plan Administration.

Consultant Appointment

CBIZ Benefits and Insurance Services, Inc. (CBIZ) is PHSD's appointed consultant/broker on specified health/welfare and employee benefits programs and functions as a benefit outsource service. Please submit pricing excluding (net of) all commission/compensation agreement for an insurance broker/consultant.

CBIZ Benefits & Insurance Services has been and will continue to be committed to acting in our clients' best interest by providing services and products that meet our clients' needs as communicated to CBIZ. From time to time, CBIZ may participate in agreements with one or more insurance companies or third party vendors, in connection with the insurance related transactions, to receive additional compensation or consideration. These compensation arrangements are provided to CBIZ as a result of the performance and expertise, by which products and services are provided to the client and may result in enhancing CBIZs ability to access certain markets and services on behalf of CBIZ clients. More information regarding these agreements and the consideration received pursuant to these agreements is available upon written request.

Claims Administration

1. The administrator will be responsible for verifying coverage from the initial enrollment data of each plan year and any subsequent changes which are transmitted to it by PHSD. Claims can only be paid to participants in the plan.
2. The administrator must process all claims on a direct claim basis with no verification of claims by PHSD.
3. The administrator must process and make all necessary payments on valid and documented claims within five (5) working days from the receipt of the properly completed claim form. The administrator must issue payments each business day. In those cases where a claim cannot be processed due to lack of information or some other reason beyond the control of the administrator, notice must be sent within five (5) days from receipt of the claim, advising the employee of the nature of the issue preventing the claim from being processed. The notice must be clear, concise, and easily understood by the employee.
4. The administrator must review each claim and determine the appropriate benefit payment based on the terms and conditions of PHSD Flexible Benefits Plan in a manner which will ensure compliance with all applicable state and federal regulations.

5. The administrator must be able to recognize actual accrual of employee contributions in the determination of reimbursement amounts.
6. A listing of checks, debit card transactions or direct bank deposits to participating bank accounts, issued to pay claims must be made available to PHSD no less frequently than monthly.
7. The administrator must provide, with each payment, an explanation of the benefit paid. Explanations of Benefits must clearly identify the details of each submitted claim included in any payment.
8. The administrator must be able to respond to questions from employees by making available telephone access and staff who can address issues which are raised from time to time. Such access must at least be available during the hours of 8:00 a.m. to 5:00 p.m. CST, Monday through Friday.
9. The administrator must maintain enrollment, claim and contribution accrual data in machine readable format that would allow for the transfer of claim information to another administrator at the termination of the contract.
10. The administrator must agree to make every effort to facilitate the transfer of claims data to another administrator at the culmination of the contract.
11. The administrator must have the capacity to accept contribution information transmitted electronically by the Park Hill School District's online enrollment vendor.

Data Analysis and Reporting Requirements

1. The administrator must provide PHSD with monthly reports of each participant's status in each FSAP account. Include all sample reports in your proposal. Such reports, for each employee, should include:
 - Participation election amount
 - Actual accrual of contributions year to date
 - Reimbursements year to date
 - Pending claim amounts
 - Net FSAP account amounts (contributions less reimbursements) year to date
2. All payments made by PHSD must reconcile to this report.

4. The administrator must provide a report (in electronic format, if requested) of Dependent Care contributions by the participants at the end of the plan year for W-2 reporting purposes. The administrator must provide reports (in electronic format, if requested) of any other information on FSAP participants required for regulatory compliance.
5. The administrator must provide each plan participant with a status report of participation on each account no less frequently than quarterly. A status report must also be sent to the employee, no less than ten days after the administrator is alerted to an employee's coverage termination (or break) due to employment termination (or leave status), or alerted to an employee's coverage resumption, or COBRA participation. The report must include a reminder regarding the forfeiture risk born by the employee and applicable dates for claims accrual and reimbursement filing restrictions. A composite status report must be prepared for those employees participating in both Health Care and Dependent Care account.

Administration Services

1. The administrator must provide assistance with the development of plan language provisions and communication materials to employees. This would include, but not be limited to, plan documents, brochures, articles, paycheck stuffers, tapes, and meetings.
2. The administrator must maintain a knowledge base of all applicable regulatory compliance requirements and advise PHSD of those as they develop or change.
3. The administrator must assist PHSD in performing, measuring, and meeting all applicable regulatory tests such as non-discrimination testing.
4. As required, the administrator must prepare the annual IRS Form 5500 and accompanying schedule(s), as well as the Summary Plan Description.

Other

1. The administrator must be able to handle the Health Care and Dependent Care Reimbursement FSAP accounts.
2. The administrator shall agree that the amount due from PHSD for the monthly administrative fee will be received by the administrator no later than the last day of the month for that month's fee.
3. All correspondence and periodic reports to the PHSD employees shall be sent to the employee's home address.
4. PHSD requests pricing for debit cards for employees participating in Dependent Care and Health Care FSAP accounts.

5. The selected vendor will need to be able to accept file feeds from the benefits administration system Explain My Benefits. The benefits administration vendor with which we actively work, accept a wide range of EDI formats. The scope of services generally falls into the following categories:

- Electronic Enrollment Services
- Eligibility Maintenance
- Payroll Deduction Communication
- Premium Invoicing Services
- Administrator Functions
- Trouble-Shooting Features
- Qualifying Event Management
- Form and Document “Portal” Services

Section 125 Questionnaire

In answering the following questions, please do not refer to your proposal. Restate each question and then respond directly to the question.

1. Please describe your employee communications, including what would be distributed at open enrollment. Please provide samples.
2. Please describe your claim adjudication process. Provide a sample explanation of benefits or other statement that would notify the employee of payment.
3. Is there a minimum dollar amount for which claims will be issued?
4. Please provide specifications for enrollment data transfer, as well as for routine payroll activity transfer.
5. Please describe all banking alternatives. Include a description of the banking arrangement you would prefer to utilize with PHSD.
6. Please indicate your ability to administer FSA claims through a Debit Card option. Indicate pricing for the debit card and any requirements and/or restrictions associated with debit card transactions. Please identify all fees associated with your debit card option in the Price Quotation Schedule.
 - What transactions require substantiation? Which ones do not?
 - Does your Debit card allow for IAS technology and any other IRS approval election adjudication methods? Allow for copay matching? Reoccurring expense matches? Carrier/PBM feeds?
 - Is the Debit Card available for both Medical and Dependent care accounts?
 - Are there fees for the initial card(s)? How is the fee charged (PEPM or by participant)? Do fees apply for lost or replacement cards?
 - Can you interact and communicate with participants via electronic mail?
 - What is the process for turning a debit card “off” if a claim is unsubstantiated?
 - Do you have an insured protection for lost or stolen cards? Again, what fees apply to this protection?
 - What percentage of your business utilizes the debit card feature?
7. Please provide information on your non-discrimination testing process.
8. Do you continue to charge fees for participants that had an amount rollover from the prior year but did not make a new election for the current year?
9. What is the minimum balance that would qualify for a rollover?
10. Please provide a timeframe and schedule of critical events which would occur should you be selected to administer the plan for PHSD.

11. How many employer groups did you provide Section 125 administration services to in 2017?
How many participants were enrolled?
12. Please describe the performance guarantees to which you are willing to agree.
13. Please provide a detailed listing of all fees associated with servicing the PHSD's Section 125 plans.