



Written Questions and Answers

Employee Flexible Spending Account Program

RFP UK-2410-24

Closing Date: 2/14/24

Today's Date: 2/7/24

No.	Question	Answer
1	What are 2-3 areas for enhancement with the University of Kentucky's FSA experience as it exists today?	Communications with plan members
2	Does Central Kentucky Management need a separate group account, or would they be considered as under the UK umbrella and can be broken out as a division within the overall account?	Under UK umbrella. Same group, to be broken out as a division for accounting purposes.
3	Does the University of Kentucky offer a Limited Purpose FSA as well?	Yes
4	If so, will the LPFSA be part of this bid, and if yes, please provide the number of current participants.	Yes, there are 16 participants UK. None participating with Central KY Management.
5	Please provide the number of unique FSA participants. For example, an employee enrolled in both a Medical FSA and a Dependent Care FSA is considered one unique participant.	UK – 604 dependent care & 3,431 health care Central KY Management – 1 dependent care & 45 health care
6	Do you offer a HSA with your HDHP?	Yes
7	If so, would you like to see a quote for HSA included or additional information?	No.
8	If yes, please provide the number of HSA participants.	N/A
9	If yes, please provide the HSA assets under management, broken out between funds in cash and funds in investments.	N/A
10	If HSA will not be considered, should we expect a separate HSA bid will be released in the future?	In the future. HSA contract is on a separate timeline.

11	Please provide the ben admin/HRIS source for both the University of Kentucky as well as Central Kentucky.	SAP and Kronos, respectively.
12	Who does the University of Kentucky utilize as their payroll partner?	UK uses SAP for payroll.
13	We understand the University of Kentucky is willing to establish an ACH for claims funding. Please confirm if UK would be willing to accommodate net-30 terms.	UK sends an ACH to the vendor weekly to fund the claims for the prior week. Initially, we can send a deposit for the initial set up of the account, so the vendor has money up front to fund claims. We do not wait 30 days to fund claims.
14	It appears UK has requested to self-bill for FSA accounts utilizing the payroll file. This may be problematic as not every active FSA account may have a contribution. For example, in the event an employee terms, if the UK has a runout period, the termed employee may have access to their FSA for a period of time without a contribution, and an admin fee would be applicable. Does UK have flexibility in this process, with the vendor's monthly invoice being the source of truth for active accounts?	The payroll system accounts for FSA contributions as well as those with active FSA plans to charge an admin fee. The admin fee charge will capture anyone who has an FSA plan with zero contributions. UK would like to self-bill for the admin fees. We issue admin fees to the vendor monthly.
15	What does the member satisfaction survey process look like today? How is it dispersed, and how many employees complete it? What is the rating system?	A survey has not been sent to participants.
16	Does UK have substantiation files in place between their medical/dental/vision carriers and their FSA vendor, to support auto-substantiation rates?	Yes, files are sent weekly.
17	Please confirm if virtual materials would be accepted for the employee confirmation packages requested.	Yes.
18	Please confirm if Diverse Business Enterprises participation is a requirement or if extra points are awarded.	No.
19	Would a vendor selected for a presentation have approval to utilize the UK's logo for the sole purpose of presenting a cobranded experience to demonstrate the vendor's customization capabilities?	Yes, with communications being approved by UK.

20	Would the UK be interested in receiving information regarding COBRA administration as well? When does the University expect to release a COBRA bid?	Not at this time. UK administers their own COBRA plan.
21	How are FSA claims funded today? Do you allow for ACH pull for claims funding, or do you currently use a replenishment account?	UK only allows push ACHs. We do not allow vendors to pull from UK's accounts. We currently use a replenishment account. Weekly claims are reimbursed to the FSA administrator and paid by UK via ACH.
22	What is the frequency of FSA claims funding?	Weekly for the prior week
23	Do you have any pain points today relative to your FSA plan that you would like to be addressed?	More communication is needed on unsubstantiated claims.
24	Who are your medical, dental, and vision carriers? Do you currently integrate claims data with your FSA program?	Medical-Anthem Dental-Delta Dental and an internal UK Dental.
25	Will the University accept Electronic Signatures on the required forms?	Yes
26	The University does not delineate why it's bidding out for these services at this time. Please share why these services are being bid out at this time (fees, service issues, standard due diligence, etc.?).	The term of the current contract is approaching its expiration date.
27	<p>FSA Service Fees</p> <p>--What are the current fees the University is paying for its Health Care FSA and Dependent Care FSA programs?</p> <p>--Can you elaborate if these fees are inclusive of printing and mailing associated with the program(s) member outreach?</p> <p>--Are these said fees for inclusive of benefit fair sessions?</p>	\$2.90 per month and include printing and mailing and benefit fair sessions. Fees are the same whether employee has dependent care FSA, medical care FSA or both.
28	<p>FSA Performance Guarantees</p> <p>--What is the current FSA program's service level agreement (SLA) for all member services?</p>	There currently no performance guarantees.

	--Are there financial penalties should the current FSA contractor(s) not meet the SLAs? If yes, what are they?	
29	<p>FSA Communication Material</p> <p>--Please provide copies of the program's current communication materials, i.e., benefits brochures, effective date schedules, eligibility charts, fact sheets, registration and enrollment instructions, privacy notices, and ACA information?</p> <p>--Please provide copies of the current letters and notices.</p> <p>--Please provide copies of the program's Plan Documents.</p> <p>--Please provide copies of all the current program standard reports.</p>	<p>All material can be found on our website, https://hr.uky.edu/work-life-and-well-being/personal-finance/flexible-spending-accounts</p> <p>Regular eligibility and ACA eligibility determination is unique in some cases, as it is not only the percentage of the assignment that is a factor. Privacy notices are provided to every employee who elections benefits and a part of the COBRA notifications.</p>
30	<p>The University does not provide any detailed information regarding the Health Care and Dependent Care FSA program(s) contribution amounts.</p> <p>--What are the average participant contribution amounts for the Health Care FSA program?</p> <p>--What are the average participation contribution amounts for the Dependent Care FSA program?</p>	<ul style="list-style-type: none"> - Average Health care - \$1,537.42 - Average dependent care - \$4,010.49 - Average Limited Purpose - \$1,043.31
31	<p>The University does not provide any detailed information regarding program forfeitures.</p> <p>--Do the funds forfeited by participants transfer to the University operating budget?</p> <p>--ERISA-based plans are pre-empted from escheatment. What is the expectation of the Plan Sponsor regarding escheatment?</p>	<p>Yes, the forfeited funds transfer to the operating budget based on the forfeitures report from the vendor.</p> <p>The funds are not subject to escheatment.</p> <p>Not sure of the amount of forfeitures for 7/1/22 – 6/30/23 yet. We would have to get a report from the vendor and those entries occur in July each year. For example, we did the entry to write off 6/30/2022 forfeitures in July 2023. We would expect to write off the next set of forfeitures in July 2024 for 6/30/23.</p>

	<p>--What is the current the University forfeiture balance?</p> <p>--Approximately how much was forfeited from the last plan year?</p> <p>--What was the total number of participants who forfeited money in the last plan year for the Health Care FSA?</p> <p>---What was the total amount of forfeited money for the last plan year for the Health Care FSA?</p> <p>--What was the total number of participants who forfeited money in the last plan year for the Dependent Care FSA?</p> <p>---What was the total amount of forfeited money for the last plan year for the Dependent Care FSA?</p>	
32	<p>The University does not provide any detailed information regarding Paper Claims and/or Paperless Reimbursement Claims.</p> <p>--For the Health Care FSA:</p> <p>---How many claims were submitted by paperless reimbursement by month for the last 12 months?</p> <p>---How many manual claims were submitted by month for the last 12 months?</p> <p>---How many claims were submitted by fax by month for the last 12 months?</p> <p>---How many claims were submitted on the website by month for the last 12 months?</p>	<p>Plan year 2022-2023 – 75,000 card transaction for health care. 67,000 cleared with no additional information needed.</p> <p>The majority of all claims are card swipes. The exact number is not known.</p>

	<p>---How many claims were reimbursed by EFT by month, or the smallest available time period, for the last 12 months?</p> <p>---How many claims were reimbursed by check by month (if any), or the smallest available time period, for the last 12 months?</p>	
33	<p>For the Dependent Care FSA:</p> <p>--How many claims were submitted by paperless reimbursement by month for the last 12 months?</p> <p>--How many manual claims were submitted by month for the last 12 months?</p> <p>--How many claims were submitted by fax by month for the last 12 months?</p> <p>--How many claims were submitted on the website by month for the last 12 months?</p> <p>--How many claims were reimbursed by EFT by month, or the smallest available time period, for the last 12 months?</p> <p>--How many claims were reimbursed by check by month (if any), or the smallest available time period, for the last 12 months?</p>	<p>Currently, all dependent care claims must be manually submitted. There is the option to set up auto payments. As to the exact number, that is not data we have in house.</p>
34	<p>The University does not provide any detailed information regarding customer service.</p> <p>--Currently what is the average number (or overall total) of service calls per participant?</p> <p>--Please provide the number of participant emails, calls and appeals received each month for the most recent full plan year.</p>	<p>This is data we do not have from the current vendor.</p>

	<p>--Please provide the call volume by month, or the smallest available time period, for the last full plan year.</p> <p>--By week, or the smallest available time period available, please provide the call volume during the last open enrollment period.</p> <p>--By month, or the smallest available time period, please provide the number of calls serviced by an individual customer service representative for the last full plan year.</p> <p>--By month, or the smallest available time period, please provide the average amount of time a transaction took that was handled by a customer service representative (i.e. Average Handle Time) for the last full plan year.</p> <p>--By month, or the smallest available time period, please provide the number of claims-based calls in the last full plan year.</p>	
35	<p><u>Section 2.1 Intent and Scope</u></p> <p>The University is responsible for COBRA notifications and COBRA administration. However, the selected TPA will be responsible for administering continued participation in the plan by virtue of COBRA rights.</p> <p>--Can you provide additional clarification on your COBRA notification process?</p> <p>--Would the provider be responsible for the continuation of COBRA for the FSA only?</p> <p>--Is there future consideration for the University to change the COBRA process for increased efficiencies?</p>	<p>UK administers their own COBRA plan.</p> <p>All COBRA notification is sent out within 14 days of plan end date. If on the very rare instance an election is made, we load to our direct billing system. Notification is made to the current vendor when the past employee makes payment dependent care, so the account can be funded.</p>

	<p>--Will a separate RFP be released for replacing your COBRA administration? If so, when do you anticipate an RFP?</p>	<p>The only responsibility for the vendor would be to continue administering the COBRA FSA, after the COBRA election takes place.</p> <p>No RFP for COBRA administration is planned.</p>
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