Request for Proposal
UK-1813-18
Proposal Due Date - 2/21/18

Employee Flexible Spending Account Program
REQUEST FOR PROPOSAL (RFP)

ATTENTION: This is not an order. Read all instructions, terms and conditions carefully.

PROPOSAL NO.: UK-1813-18

RETURN ORIGINAL COPY OF PROPOSAL TO:
UNIVERSITY OF KENTUCKY
PURCHASING DIVISION
411 S LIMESTONE
ROOM 322 PETERSON SERVICE BLDG.
LEXINGTON, KY 40506-0005

PROPOSAL DATE: 1/24/2018

RETURN ORIGIINAL COPY OF PROPOSAL TO:
UNIVERSITY OF KENTUCKY
PURCHASING DIVISION
411 S LIMESTONE
ROOM 322 PETERSON SERVICE BLDG.
LEXINGTON, KY 40506-0005

Title: Employee Flexible Spending Account Program

PAYMENT TERMS

Purchasing Officer: John E. Deans, C.P.M.

DELIVERY TIME

Phone: 859-257-6759

E-MAIL:

SIGNATURE REQUIRED: This proposal cannot be considered valid unless signed and dated by an authorized agent of the offeror. Type or print the signatory's name, title, address, phone number and fax number in the spaces provided. Offers signed by an agent are to be accompanied by evidence of his/her authority unless such evidence has been previously furnished to the issuing office.

SIGNATURE:

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1.0  DEFINITIONS

The term "addenda" means written or graphic instructions issued by the University of Kentucky prior to the receipt of proposals that modify or interpret the RFP documents by additions, deletions, clarifications and/or corrections.

The term "competitive negotiations" means the method authorized in the Kentucky Revised Statutes, Chapter 45A.085.

The terms "offer" or "proposal" mean the offeror’s/offerors’ response to this RFP.

The term "offeror" means the entity or contractor group submitting the proposal.

The term "contractor" means the entity receiving a contract award.

The term "purchasing agency" means the University of Kentucky, Purchasing Division, Room 322 Peterson Service Building, Lexington, KY 40506-0005.

The term "purchasing official" means the University of Kentucky’s appointed contracting representative.

The term "responsible offeror" means a person, company or corporation that has the capability in all respects to perform fully the contract requirements and the integrity and reliability that will assure good faith performance. In determining whether an offeror is responsible, the University may evaluate various factors including (but not limited to): financial resources; experience; organization; technical qualifications; available resources; record of performance; integrity; judgment; ability to perform successfully under the terms and conditions of the contract; adversarial relationship between the offeror and the University that is so serious and compelling that it may negatively impact the work performed under this RFP; or any other cause determined to be so serious and compelling as to affect the responsibility of the offeror.

The term "solicitation" means RFP.

The term "University" means University of Kentucky.
2.0 GENERAL OVERVIEW

2.1 Intent and Scope

This Request for Proposal (RFP) is being issued by the University of Kentucky to invite qualified firms to submit proposals for a third party administrator (TPA) to administer Internal Revenue Code Section 125 medical care and dependent care employee flexible spending accounts (FSA). The University, through the Employee Flexible Spending Account (FSA) Program, allows participating employees to use pre-tax dollars for dependent care and/or for out-of-pocket medical costs under Section 125 of the U.S. Internal Revenue Code of 1986. There may be opportunity for the University to offer a health care spending account (HSA) in the future.

The Employee Flexible Spending Account Program extends to a diverse group of approximately 18,500 University employees eligible to participate. All employees are eligible for the dependent care plan. Regular, full-time and regular half-time employees are eligible for the medical expenditure plan. For 2017-18, an employee may contribute from $250.00 to $2,600.00 annually to pay for health care expenses. An employee may contribute from $500.00 to $5,000.00 annually for dependent care expenses. Eligible employees for health care FSA must include all regular employees with half-time status and WEPP nurses (weekend nurses) and dependent care will include employees working at least a 20% full-time equivalent position.

In addition to 18,000 University employees, the University also provides benefits for Eastern State Hospital (350 employees) and Central Kentucky Management Services (150 employees). These benefits are administered under a different payroll system (Kronos).

Eligible University FSA Program participants reside in all 120 counties of the Commonwealth, with approximately 12,000 living in Fayette and contiguous counties. A small number of University faculty and staff live and work outside Kentucky while on leave of absence, temporary work assignments, etc.

For fiscal year 2017-18, there are 3,511 employees who have health care reimbursement accounts with a “debit card”. Current enrollment for the dependent care reimbursement account is 564. The FSA Program will be made available as an optional benefit to eligible employees during the Open Enrollment period (April/May 2018, with July 1, 2018 effective date). Therefore, it is not possible to determine an exact level of participation. There can be NO MINIMUM level of participation required by the successful Offeror.

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.

The scope of services is further defined in Section 7.0.

2.2 Background Information

For fiscal year 2017-18, there are 3,511 employees who have health care reimbursement accounts with a “debit card”. Current enrollment for the dependent care reimbursement account is 564. Currently, participants have mobile access to accounts and may use a Visa debit card to pay for expenses. Claims may also be faxed or scanned and uploaded. The $500 rollover provision is
currently provided as an option to employees. There is no HSA option at this time but may be in the future.

2.3 **University Information**

Since his arrival, President Eli Capilouto has set forth an ambitious agenda to extend and enhance our role as Kentucky’s land-grant and flagship research university. By focusing on infrastructure growth and improvement; creating opportunities for innovative teaching, learning, and academic excellence; fostering a robust research and creative scholarship enterprise; providing life-saving subspecialty care; empowering communities through service and outreach; and encouraging a transparent and shared dialogue about institutional priorities; the University of Kentucky will ensure a new century of promise for the people we impact.

Founded in 1865 as a land-grant institution adjacent to downtown Lexington, UK is nestled in the scenic heart of the beautiful Bluegrass Region of Kentucky. From its early beginnings, with only 190 students and 10 professors, UK’s campus now covers more than 918 acres and is home to more than 30,000 students and approximately 14,500 employees, including more than 2,300 full-time faculty. UK is one of a small number of universities in the United States that has programs in agriculture, engineering, a full complement of health colleges including medicine and pharmacy, law and fine arts on a single campus, leading to groundbreaking discoveries and unique interdisciplinary collaboration. The state’s flagship university consists of 17 academic and professional colleges where students can choose from more than 200 majors and degree programs at the undergraduate and graduate levels. The colleges are Agriculture, Food and Environment; Arts and Sciences; Business and Economics; Communication and Information; Dentistry; Design; Education; Engineering; Fine Arts; Graduate School; Health Sciences; Law; Medicine; Nursing; Pharmacy; Public Health; and Social Work. These colleges are supported by a modern research library system.

Research at the University of Kentucky is a dynamic enterprise encompassing both traditional scholarship and emerging technologies, and UK’s research faculty, staff and students are establishing UK as one of the nation’s most prolific public research universities. UK’s research enterprise attracted $285 million in research grants and contracts from out-of-state sources, which generated a $580 million impact on the Kentucky economy. Included in this portfolio is $153 million in federal awards from the National Institutes of Health, non-NIH grants from the Department Health and Human Services, the National Science Foundation, Department of Energy, Department of Agriculture and NASA, among others. The National Science Foundation ranks UK’s research enterprise 44th among public institutions.

With more than 50 research centers and institutes, UK researchers are discovering new knowledge, providing a rich training ground for current students and the next generation of researchers, and advancing the economic growth of the Commonwealth of Kentucky. Several centers excel in the services offered to the public. The Gluck Equine Research Center is one of only three facilities of its kind in the world, conducting research in equine diseases.

The Center for Applied Energy Research is pursuing groundbreaking discovery across the energy disciplines. CAER staff are pioneering new ways to sustainably utilize Kentucky natural resources through carbon-capture algae technology, biomass/coal to liquid products and the opening of UK’s first LEED-certified research lab to support the development of Kentucky’s growing alternative energy industry. Among the brightest examples of UK’s investment in transformative research is the
Markey Cancer Center. As a center of excellence and distinction at UK, Markey’s robust research and clinical enterprise is the cornerstone of our commitment to Kentucky – fundamental to our success in uplifting lives through our endeavors and improving the general health and welfare of our state – burdened by the nation’s highest rate of cancer deaths per 100,000 people. In 2013, Markey earned the prestigious National Cancer Institute-designation (NCI) – one of 68 nationally and the only one in Kentucky.

The University of Kentucky was awarded a $20 million Clinical Translational Sciences Award (CTSA) from the National Institutes of Health (NIH). As one of only 60 institutions with this research distinction, UK was awarded the CTSA for its potential in moving research and discovery in the lab into practical field and community applications. The CTSA and NCI are part of a trifecta of federal research grants that includes an Alzheimer’s Disease Center. UK is one of only 22 universities in the country to hold all three premier grants from NIH.

Established in 1957, the medical center at UK is one of the nation’s finest academic medical centers and includes the University's clinical enterprise, UK HealthCare. The 569-bed UK Albert B. Chandler Hospital and Kentucky Children's Hospital, along with 256 beds at UK Good Samaritan Hospital, are supported by a growing faculty and staff providing the most advanced subspecialty care for the most critically injured and ill patients throughout the Commonwealth and beyond. Over the last several years, the number of patients served by the medical enterprise has increased from roughly 19,000 discharges to more than 36,000 discharges in 2014.

UK Chandler Hospital includes the only Level 1 Trauma Center for both adult and pediatric patients in Central and Eastern Kentucky. In addition, UK HealthCare recently opened one of the country’s largest robotic hybrid operating rooms and the first of its kind in the region. While our new patient care pavilion is the leading healthcare facility for advanced medical procedures in the region, our talented physicians consult with and travel to our network of affiliate hospitals so Kentucky citizens can receive the best health care available close to their home and never need to leave the Bluegrass for complex subspecialty care.

UK’s agenda remains committed to accelerating the University’s movement toward academic excellence in all areas and gain worldwide recognition for its outstanding academic programs, its commitment to students, its investment in pioneering research and discovery, its success in building a diverse community and its engagement with the larger society. It is all part of the University’s fulfillment of our promise to Kentucky to position our state as a leader in American prosperity.
3.0 PROPOSAL REQUIREMENTS

3.1 Key Event Dates

<table>
<thead>
<tr>
<th>Event</th>
<th>Date/Time</th>
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<tbody>
<tr>
<td>Release of RFP</td>
<td>1/24/18</td>
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<tr>
<td>Deadline for Written Questions</td>
<td>3 p.m. Lexington Time on 2/01/18</td>
</tr>
<tr>
<td>RFP Proposals Due</td>
<td>3 p.m. Lexington Time on 2/21/18</td>
</tr>
<tr>
<td>Offeror Presentations*</td>
<td>Week of 3/05/18</td>
</tr>
<tr>
<td>Contract Award*</td>
<td>Week of 3/09/18</td>
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*projected dates

3.2 Offeror Communication

To ensure that RFP documentation and subsequent information (modifications, clarifications, addenda, Written Questions and Answers, etc.) are directed to the appropriate persons within the offeror’s firm, each offeror who intends to participate in this RFP is to provide the following information to the purchasing officer. Prompt, thorough compliance is in the best interest of the offeror. Failure to comply may result in incomplete or delayed communication of addenda or other vital information. Contact information is the responsibility of the offeror. Without the prompt information, any communication shortfall shall reside with the offeror.

- Name of primary contact
- Mailing address of primary contact
- Telephone number of primary contact
- Fax number of primary contact
- E-mail address of primary contact
- Additional contact persons with same information provided as primary contact

This information shall be transmitted via fax or e-mail to:

John E. Deans, C.P.M.
Purchasing Division
University of Kentucky
322 Peterson Service Building
Lexington, KY 40506-0005
Phone: (859) 257-6759
Fax: (859) 257-1951
E-mail: john.deans@uky.edu

All communication with the University regarding this RFP shall only be directed to the purchasing officer listed above.
3.3 **Pre-Proposal Questions**

Written questions allow prospective contractors an opportunity to ask questions and clarify the University’s expectations.

- Offerors are encouraged to submit written questions by the date listed in Section 3.1.

The University will prepare written responses to all questions submitted and make them available to all offerors. The questions and answers will be made part of the RFP and may become part of the contract with the successful contractor.

3.4 **Offeror Presentations**

All offerors whose proposals are judged acceptable for award may be required to make a presentation to the evaluation committee.

3.5 **Preparation of Offers**

The offeror is expected to follow all specifications, terms, conditions and instructions in this RFP.

The offeror will furnish all information required by this solicitation.

Proposals should be prepared simply and economically, providing a description of the offeror’s capabilities to satisfy the requirements of the solicitation. Emphasis should be on completeness and clarity of content. All documentation submitted with the proposal should be bound in the single volume except as otherwise specified.

An electronic version of the RFP, in .PDF format only, is available through the University of Kentucky Purchasing Division web site: [www.uky.edu/purchasing/bidlist.htm](http://www.uky.edu/purchasing/bidlist.htm)

3.6 **Proposed Deviations from the RFP**

The stated requirements appearing elsewhere in this RFP shall become a part of the terms and conditions of any resulting contract. Any deviations therefrom must be specifically defined in accordance with the transmittal letter, Section 4.3 (d). If accepted by the University, the deviations shall become part of the contract, but such deviations must not be in conflict with the basic nature of this RFP.

Note: Offerors shall not submit their standard terms and conditions as exceptions to the University’s General Terms and Conditions. Each exception to the University’s General Terms and Conditions shall be individually addressed.

3.7 **Proposal Submission and Deadline**

Offeror must provide the following materials prior to 3 p.m. (Lexington, KY time) on the date specified in Section 3.1 and addressed to the purchasing officer listed in Section 3.2:
• **Technical Proposal**: Three (3) copies on electronic storage devices (CD or USB) (1 copy per storage device) each clearly marked with the proposal number and name, firm name and what is included (Technical Proposal) and two (2) printed original copy

• **Financial Proposal**: Three (3) copies on electronic storage devices (CD or USB) (1 copy per storage device) each clearly marked with the proposal number and name, firm name and what is included (Financial Proposal) and two (2) printed original copy

Note: Proposals received after the closing date and time will not be considered. In addition, proposals received via fax or e-mail are not acceptable.

The University of Kentucky accepts deliveries of RFPs Monday through Friday from 8 a.m. to 5 p.m. EST. However, RFPs must be received by 3 p.m. EST on the date specified on the RFP in order to be considered.

Proposals shall be enclosed in sealed envelopes to the above referenced address and shall show on the face of the envelope: the closing time and date specified, the solicitation number and the name and address of the offeror. The technical proposal shall be submitted in a sealed envelope and the financial proposal shall be submitted in a sealed envelope under separate cover. Both sealed envelopes shall have identical information on the cover, with the addition that one will state “Technical Information,” and the other, “Financial Proposal.”

Note: In accordance with the Kentucky Revised Statute 45A.085, there will be no public opening.

3.8 **Modification or Withdrawal of Offer**

An offer and/or modification of offer received at the office designated in the solicitation after the exact hour and date specified for receipt will not be considered.

An offer may be modified or withdrawn by written notice before the exact hour and date specified for receipt of offers. An offer also may be withdrawn in person by an offeror or an authorized representative, provided the identity of the person is made known and the person signs a receipt for the offer, but only if the withdrawal is made prior to the exact hour and date set for receipt of offers.

3.9 **Acceptance or Rejection and Award of Proposal**

The University reserves the right to accept or reject any or all proposals (or parts of proposals), to waive any informalities or technicalities, to clarify any ambiguities in proposals and (unless otherwise specified) to accept any item in the proposal. In case of error in extension or prices or other errors in calculation, the unit price shall govern. Further, the University reserves the right to make a single award, split awards, multiple awards or no award, whichever is in the best interest of the University.

3.10 **Rejection**

Grounds for the rejection of proposals include (but shall not be limited to):

- Failure of a proposal to conform to the essential requirements of the RFP.
• Imposition of conditions that would significantly modify the terms and conditions of the solicitation or limit the offeror’s liability to the University on the contract awarded on the basis of such solicitation.

• Failure of the offeror to sign the University RFP. This includes the Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest statements.

• Receipt of proposal after the closing date and time specified in the RFP.

3.11 Addenda

Any addenda or instructions issued by the purchasing agency prior to the time for receiving proposals shall become a part of this RFP. Such addenda shall be acknowledged in the proposal. No instructions or changes shall be binding unless documented by a proper and duly issued addendum.

3.12 Disclosure of Offeror’s Response

The RFP specifies the format, required information and general content of proposals submitted in response to this RFP. The purchasing agency will not disclose any portions of the proposals prior to contract award to anyone outside the Purchasing Division, the University’s administrative staff, representatives of the state or federal government (if required) and the members of the committee evaluating the proposals. After a contract is awarded in whole or in part, the University shall have the right to duplicate, use or disclose all proposal data submitted by offerors in response to this RFP as a matter of public record.

Any submitted proposal shall remain valid six (6) months after the proposal due date.

The University shall have the right to use all system ideas, or adaptations of those ideas, contained in any proposal received in response to this RFP. Selection or rejection of the proposal will not affect this right.

3.13 Restrictions on Communications with University Staff

From the issue date of this RFP until a contractor is selected and a contract award is made, offerors are not allowed to communicate about the subject of the RFP with any University administrator, faculty, staff or members of the board of trustees except: the purchasing office representative, any University purchasing official representing the University administration, others authorized in writing by the purchasing office and University representatives during offeror presentations. If violation of this provision occurs, the University reserves the right to reject the offeror’s proposal.

3.14 Cost of Preparing Proposal

Costs for developing the proposals and any subsequent activities prior to contract award are solely the responsibility of the offerors. The University will provide no reimbursement for such costs.
3.15 **Disposition of Proposals**

All proposals become the property of the University. The successful proposal will be incorporated into the resulting contract by reference.

3.16 **Alternate Proposals**

Offerors may submit alternate proposals. If more than one proposal is submitted, all must be complete (separate) and comply with the instructions set forth within this document. Each proposal will be evaluated on its own merits.

3.17 **Questions**

All questions should be submitted by either fax or e-mail to the purchasing officer listed in Section 3.2 no later than the date listed in Section 3.1.

3.18 **Section Titles in the RFP**

Section titles used herein are for the purpose of facilitating ease of reference only and shall not be construed to infer the construction of contractual language.

3.19 **No Contingent Fees**

No person or selling agency shall be employed or retained or given anything of monetary value to solicit or secure this contract, except bona fide employees of the offeror or bona fide established commercial or selling agencies maintained by the offeror for the purpose of securing business. For breach or violation of this provision, the University shall have the right to reject the proposal, annul the contract without liability, or, at its discretion, deduct from the contract price or otherwise recover the full amount of such commission, percentage, brokerage or contingent fee or other benefit.

3.20 **Proposal Addenda and Rules for Withdrawal**

Prior to the date specified for receipt of offers, a submitted proposal may be withdrawn by submitting a written request for its withdrawal to the University purchasing office, signed by the offeror. Unless requested by the University, the University will not accept revisions or alterations to proposals after the proposal due date.
4.0 PROPOSAL FORMAT AND CONTENT

4.1 Proposal Information and Criteria

The following list specifies the items to be addressed in the proposal. Offerors should read it carefully and address it completely and in the order listed to facilitate the University’s review of the proposal.

Proposals shall be organized into the sections identified below. The content of each section is detailed in the following pages. It is strongly suggested that offerors use the same numbers for the following content that are used in the RFP.

- Signed Authentication of Proposal and Statement of Non-Collusion and Non-Conflict of Interest Form
- Transmittal Letter
- Executive Summary and Proposal Overview
- Criteria 1 - Offeror Qualifications
- Criteria 2 - Services Defined
- Criteria 3 - Financial Proposal
- Criteria 4 - Evidence of Successful Performance and Implementation Schedule
- Criteria 5 - Other Additional Information

4.2 Signed Authentication of Proposal and Statements of Non-Collusion and Non-Conflict of Interest Form

The Offeror will sign and return the proposal cover sheet and print or type their name, firm, address, telephone number and date. The person signing the offer must initial erasures or other changes. An offer signed by an agent is to be accompanied by evidence of their authority unless such evidence has been previously furnished to the purchasing agency. The signer shall further certify that the proposal is made without collusion with any other person, persons, company or parties submitting a proposal; that it is in all respects fair and in good faith without collusion or fraud; and that the signer is authorized to bind the principal offeror.

4.3 Transmittal Letter

The Transmittal Letter accompanying the RFP shall be in the form of a standard business letter and shall be signed by an individual authorized to legally bind the offeror. It shall include:

- A statement referencing all addenda and written questions, the answers and any clarifications to this RFP issued by the University and received by the offeror (If no addenda have been received, a statement to that effect should be included.).

- A statement that the offeror’s proposal shall remain valid for six (6) months after the closing date of the receipt of the proposals.

- A statement that the offeror will accept financial responsibility for all travel expenses incurred for oral presentations (if required) and candidate interviews.
• A statement that summarizes any deviations or exceptions to the RFP requirements and includes a detailed justification for the deviation or exception.

• A statement that identifies the confidential information as described in Section 6.23.

4.4 Executive Summary and Proposal Overview

The Executive Summary and Proposal Overview shall condense and highlight the contents of the technical proposal in such a way as to provide the evaluation committee with a broad understanding of the entire proposal.

4.5 Criteria 1 - Offeror Qualifications

The purpose of the Offeror Qualifications section is to determine the ability of the Offeror to respond to this Request for Proposal. Offerors must describe and offer evidence of their ability to meet each of the qualifications listed below.

a) Please provide the address, telephone and fax number of the claims office that will administer the FSA Program and a brief narrative describing the history of your company. Identify the number of employees in your company, the ownership and if the company has ever filed for bankruptcy, been in loan default, or if there are any pending liens, claims or lawsuits against the company. If so, please describe.

b) Provide the name, title and experience of the person who will be the service representative for the University account.

Provide an organizational chart of the Offeror indicating lines of authority for personnel involved in performance of this potential contract and relationships of this staff to other programs or functions of the company. This chart must also show lines of authority to the next senior level of management.

c) What is the offeror’s turnover rate for the employees that perform the claims processing and customer service functions? How does the Offeror select and train the individuals that will perform this work?

d) Provide certified audited financial statements including a full set of footnotes as follows:

   o For the past three (3) fiscal years, include at a minimum, income statements, balance sheets, and statements of charges in financial position or cash flows. If three (3) years of financial statements are not available, this information shall be provided to the fullest extent possible or the reasons why, if they are not available.
   o For companies that are privately held, when certified audited financial statements are not prepared; a written statement from the Offeror’s certified public accountant stating the financial condition, debt-to-asset ratio for the past three (3) years and any pending actions.

e) If the Offeror has had a contract terminated for default in the last five (5) years, describe such incident. Termination for default is defined as notice to stop performance due to the Offeror’s non-performance or poor performance. The issue of performance was either (a) not litigated due
to inaction on the part of the Offeror, or (b) litigated and such litigation determined that the Offeror was in default.

f) Submit full details of the terms for default including the other party’s name, address, and phone number. Present the Offeror’s position on the matter. The University will evaluate the facts and may, at its sole discretion, reject the proposal on the grounds of the past experience. If the Offeror has experienced no such termination for default in the past five (5) years, so indicate.

g) Is there a national, standard rating of the Offeror? What is the rating? What has been the Offeror’s rating for each of the last five (5) years?

h) Indicate the experience the Offeror has in the area of administering Section 125 medical and dependent care spending plans for major institutions.

i) Is the Offeror licensed to do business in the State of Kentucky?

j) Does the Offeror have a web page? If so, please provide the URL address.

### 4.6 Criteria 2 – Services Defined

**Plan Administration**
The following list specifies the items to be addressed in this section of your proposal. Please read it carefully and address it completely and in the order listed to facilitate the University’s review of your proposal.

a) Can the Offeror provide information booklets, plan descriptions and materials for University employees to be available for the planned open enrollment (April, 2018)

b) If the Offeror is awarded the contract, approximately what length of time will be needed/required to be prepared to administer the program as of the effective date of the new plan year (July 1, 2018 – June 30, 2019)

c) Submit a timeline responding to questions a and b, working back from an open enrollment date of April 1, 2018.

d) Is the Offeror an insurance company?

If the answer is no, please answer the following:

1. Is the Offeror regulated? If so, how?
2. Is the Offeror bonded? What is the extent of the bond?

e) Provide examples or exhibits of any reports available to the University. Will individual account balances be available to the University on a monthly basis? How often are the other reports furnished?

f) Does the Offeror have the capability to allow the University to handle eligibility transactions on-line or via File Transfer Protocol (FTP) in lieu of paper?
g) What steps has the Offeror taken to comply with HIPAA as it relates to performing TPA duties under a “Business Associate” relationship as defined under HIPAA?

h) The university’s plan year is from July 1st through June 30th each year. A $500 rollover from the claim balance is allowed into the next plan year. Claims may be filed through December 31st each year.

1. Can you administer a plan under this format? Please describe your process for handling the “grace period.”

i) The university offers a debit card for health care flexible spending account participants. Please describe your ability to administer this option.

Claims Administration

a) Describe the Offeror’s claims procedures in detail, including any responsibilities of the University and the employees.

b) Describe the procedure by which the Offeror determines that a participant’s claim is valid for reimbursement.

c) Explain the claims processing and turnaround time for approval.

d) What are the Offeror’s internal performance standards for claims processing?

e) What is the Offeror’s appeals process when a claim is denied?

f) Does the Offeror adhere to standards of performance? What are those standards? What guarantees of performance will the Offeror guarantee? Will the Offeror guarantee those standards with penalties? What are the penalties?

g) What percentage of claims is actually reimbursed within one (1) working days of receipt? Within three (3) working days? Within five (5) working days?

h) Attach samples of forms that will be used in the process, including a copy of the Offeror’s claim form.

i) Please provide a toll-free number for employees to call for questions or to check the status of a claim.

j) Does the Offeror provide access to the participants’ accounts via the Internet for the purposes of reviewing the status of their claims?

k) Can the claimant submit claims via the Internet, fax, mobile or other method?

l) Is the Offeror capable of depositing reimbursement funds directly to a bank account? If so, what is the turnaround time between when the claim is received and when the funds are deposited into the claimant’s account? Can the Offeror provide email notification when funds are deposited?

m) Is the Offeror capable of paying a health care or dependent care provider directly?
n) Does the Offeror have bilingual capabilities for customer service regarding account information and claims information?

o) Will the Offeror provide on-line claim forms for the University to post on its Benefits website?

p) How many times per week are checks/direct deposit reimbursements processed?

q) Does the Offeror provide a debit card for health care reimbursement accounts? If so, describe the reimbursement process in detail. What obstacles do you anticipate in providing debit card services?

r) If the Offeror provides a debit card, explain the audit process. Can the Offeror review UK’s prescription and medical claims data prior to requesting documentation?

s) Does the Offeror provide a toll-free fax number for participants’ to fax claims?

4.7 **Criteria 3 – Financial Proposal**

The Financial Summary Form shall contain the complete financial offer made to the University using the format contained in Section 8.0. All financial information must be submitted in a sealed envelope under separate cover.

4.8 **Criteria 4 – Evidence of Successful Performance and Implementation Schedule**

a) Offeror shall supply names, addresses and telephone numbers of three business references for which work has been accomplished and briefly describe the type of service provided. The Offeror must grant permission to the University to contact the references.

b) List five (5) companies with whom the Offeror currently does business who have over 5,000 employees. List any colleges, universities, and public employers with which the Offeror currently does business.

c) Also, please provide a statement that the Offeror has the resources available to assure meeting an aggressive implementation schedule and provide a detailed plan.

d) Please identify what you see as the greatest obstacle to the successful completion of the Scope of Services as described in this RFP and the Offeror’s approach to overcoming this obstacle.

4.9 **Criteria 5 – Other Additional Information**

The offeror may present any creative approaches that might be appropriate. The offeror may also provide supporting documentation that would be pertinent to this RFP.
5.0 EVALUATION CRITERIA PROCESS

A committee of University officials appointed by the Director of Purchasing will evaluate proposals and make a recommendation to the Director of Purchasing. The evaluation will be based upon the information provided in the proposal, additional information requested by the University for clarification, information obtained from references and independent sources and oral presentations (if requested).

The evaluation of responsive proposals shall then be completed by an evaluation team, which will determine the ranking of proposals. Proposals will be evaluated strictly in accordance with the requirements set forth in this solicitation, including any addenda that are issued. The University will award the contract to the responsible offeror whose proposal is determined to be the most advantageous to the University, taking into consideration the evaluation factors set forth in this RFP.

The evaluation of proposals will include consideration of responses to the list of criteria in Section 4.0. Offerors must specifically address all criteria in their response. Any deviations or exceptions to the specifications or requirements must be described and justified in a transmittal letter. Failure to list such exceptions or deviations in the transmittal letter may be considered sufficient reason to reject the proposal.

The relative importance of the criteria is defined below:

**Primary Criteria**

- Offeror Qualifications
- Services Defined
- Financial Proposal
- Evidence of Successful Performance and Implementation

**Secondary Criteria**

- Other Additional Services

The University will evaluate proposals as submitted and may not notify offerors of deficiencies in their responses.

Proposals must contain responses to each of the criteria, listed in Section 4 even if the offeror’s response cannot satisfy those criteria. A proposal may be rejected if it is conditional or incomplete in the judgment of the University.
6.0  SPECIAL CONDITIONS

6.1  Contract Term

The contract resulting from this RFP shall be effective July 1, 2018 through June 30, 2021, and is renewable for up to 3 additional one-year renewal periods. Annual renewal shall be contingent upon the University’s satisfaction with the services performed.

6.2  Effective Date

The effective date of the contract shall be the date upon which the parties execute it and all appropriate approvals, including that of the Commonwealth of Kentucky Government Contracts Review Committee, have been received.

6.3  Competitive Negotiation

It is the intent of the RFP to enter into competitive negotiation as authorized by KRS 45A.085.

The University will review all proposals properly submitted. However, the University reserves the right to request necessary modifications, reject all proposals, reject any proposal that does not meet mandatory requirement(s) or cancel this RFP, according to the best interests of the University.

Offeror(s) selected to participate in negotiations may be given an opportunity to submit a Best and Final Offer to the purchasing agency. All information-received prior to the cut-off time will be considered part of the offeror’s Best and Final Offer.

The University also reserves the right to waive minor technicalities or irregularities in proposals providing such action is in the best interest of the University. Such waiver shall in no way modify the RFP requirements or excuse the offeror from full compliance with the RFP specifications and other contract requirements if the offeror is awarded the contract.

6.4  Appearance Before Committee

Any, all or no offerors may be requested to appear before the evaluation committee to explain their proposal and/or to respond to questions from the committee concerning the proposal. Offerors are prohibited from electronically recording these meetings. The committee reserves the right to request additional information.

6.5  Additions, Deletions or Contract Changes

The University reserves the right to add, delete, or change related items or services to the contract established from this RFP. No modification or change of any provision in the resulting contract shall be made unless such modification is mutually agreed to in writing by the contractor and the Director of Purchasing and incorporated as a written modification to the contract. Memoranda of understanding and correspondence shall not be interpreted as a modification to the contract.
6.6 Contractor Cooperation in Related Efforts

The University reserves the right to undertake or award other contracts for additional or related work to other entities. The contractor shall fully cooperate with such other contractors and University employees and carefully fit its work to such additional work. The contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor or by University employees. This clause shall be included in the contracts of all contractors with whom this contractor will be required to cooperate. The University shall equitably enforce this clause to all contractors to prevent the imposition of unreasonable burdens on any contractor.

6.7 Entire Agreement

The RFP shall be incorporated into any resulting contract. The resulting contract, including the RFP and those portions of the offeror’s response accepted by the University, shall be the entire agreement between the parties.

6.8 Governing Law

The contractor shall conform to and observe all laws, ordinances, rules and regulations of the United States of America, Commonwealth of Kentucky and all other local governments, public authorities, boards or offices relating to the property or the improvements upon same (or the use thereof) and will not permit the same to be used for any illegal or immoral purposes, business or occupation. The resulting contract shall be governed by Kentucky law and any claim relating to this contract shall only be brought in the Franklin Circuit Court in accordance with KRS 45A.245.

6.9 Kentucky’s Personal Information Security and Breach Investigation Procedures and Practices Act

To the extent Company receives Personal Information as defined by and in accordance with Kentucky’s Personal Information Security and Breach Investigation Procedures and Practices Act, KRS 61.931, 61.932 and 61.933 (the “Act”), Company shall secure and protect the Personal Information by, without limitation: (i) complying with all requirements applicable to non-affiliated third parties set forth in the Act; (ii) utilizing security and breach investigation procedures that are appropriate to the nature of the Personal Information disclosed, at least as stringent as University's and reasonably designed to protect the Personal Information from unauthorized access, use, modification, disclosure, manipulation, or destruction; (iii) notifying University of a security breach relating to Personal Information in the possession of Company or its agents or subcontractors within seventy-two (72) hours of discovery of an actual or suspected breach unless the exception set forth in KRS 61.932(2)(b)2 applies and Company abides by the requirements set forth in that exception; (iv) cooperating with University in complying with the response, mitigation, correction, investigation, and notification requirements of the Act ; (v) paying all costs of notification, investigation and mitigation in the event of a security breach of Personal Information suffered by Company; and (vi) at University’s discretion and direction, handling all administrative functions associated with notification, investigation and mitigation.
6.10 Termination for Convenience

The University of Kentucky, Purchasing Division, reserves the right to terminate the resulting contract without cause with a thirty (30) day written notice. Upon receipt by the contractor of a “notice of termination,” the contractor shall discontinue all services with respect to the applicable contract. The cost of any agreed upon services provided by the contractor will be calculated at the agreed upon rate prior to a “notice of termination” and a fixed fee contract will be pro-rated (as appropriate).

6.11 Termination for Non-Performance

Default

The University may terminate the resulting contract for non-performance, as determined by the University, for such causes as:

- Failing to provide satisfactory quality of service, including, failure to maintain adequate personnel, whether arising from labor disputes, or otherwise any substantial change in ownership or proprietorship of the Contractor, which in the opinion of the University is not in its best interest, or failure to comply with the terms of this contract;

- Failing to keep or perform, within the time period set forth herein, or violation of, any of the covenants, conditions, provisions or agreements herein contained;

- Adjudicating as a voluntarily bankrupt, making a transfer in fraud of its creditors, filing a petition under any section from time to time, or under any similar law or statute of the United States or any state thereof, or if an order for relief shall be entered against the Contractor in any proceeding filed by or against contractor thereunder. In the event of any such involuntary bankruptcy proceeding being instituted against the Contractor, the fact of such an involuntary petition being filed shall not be considered an event of default until sixty (60) days after filing of said petition in order that Contractor might during that sixty (60) day period have the opportunity to seek dismissal of the involuntary petition or otherwise cure said potential default; or

- Making a general assignment for the benefit of its creditors, or taking the benefit of any insolvency act, or if a permanent receiver or trustee in bankruptcy shall be appointed for the Contractor.

Demand for Assurances

In the event the University has reason to believe Contractor will be unable to perform under the Contract, it may make a demand for reasonable assurances that Contractor will be able to timely perform all obligations under the Contract. If Contractor is unable to provide such adequate assurances, then such failure shall be an event of default and grounds for termination of the Contract.
Notification

The University will provide ten (10) calendar days written notice of default. Unless arrangements are made to correct the non-performance issues to the University’s satisfaction within ten (10) calendar days, the University may terminate the contract by giving forty-five (45) days notice, by registered or certified mail, of its intent to cancel this contract.

6.12 Funding Out

The University may terminate this contract if funds are not appropriated or are not otherwise available for the purpose of making payments without incurring any obligation for payment after the date of termination, regardless of the terms of the contract. The University shall provide the contractor thirty (30) calendar days’ written notice of termination under this provision.

6.13 Prime Contractor Responsibility

Any contracts that may result from the RFP shall specify that the contractor(s) is/are solely responsible for fulfillment of the contract with the University.

6.14 Assignment and Subcontracting

The Contractor(s) may not assign or delegate its rights and obligations under any contract in whole or in part without the prior written consent of the University. Any attempted assignment or subcontracting shall be void.

6.15 Permits, Licenses, Taxes

The contractor shall procure all necessary permits and licenses and abide by all applicable laws, regulations and ordinances of all federal, state and local governments in which work under this contract is performed.

The contractor must furnish certification of authority to conduct business in the Commonwealth of Kentucky as a condition of contract award. Such registration is obtained from the Secretary of State, who will also provide the certification thereof. However, the contractor need not be registered as a prerequisite for responding to the RFP.

The contractor shall pay any sales, use, personal property and other tax arising out of this contract and the transaction contemplated hereby. Any other taxes levied upon this contract, the transaction or the equipment or services delivered pursuant hereto shall be the responsibility of the contractor.

The contractor will be required to accept liability for payment of all payroll taxes or deductions required by local and federal law including (but not limited to) old age pension, social security or annuities.

6.16 Attorneys’ Fees

In the event that either party deems it necessary to take legal action to enforce any provision of the contract and in the event that the University prevails, the contractor agrees to pay all expenses of such action including attorneys' fees and costs at all stages of litigation.
6.17 Royalties, Patents, Copyrights and Trademarks

The Contractor shall pay all applicable royalties and license fees. If a particular process, products or device is specified in the contract documents and it is known to be subject to patent rights or copyrights, the existence of such rights shall be disclosed in the contract documents and the Contractor is responsible for payment of all associated royalties. To the fullest extent permitted by law the Contractor shall indemnify, hold the University harmless, and defend all suits, claims, losses, damages or liability resulting from any infringement of patent, copyright, and trademark rights resulting from the incorporation in the Work or device specified in the Contract Documents.

Unless provided otherwise in the contract, the Contractor shall not use the University’s name nor any of its trademarks or copyrights, although it may state that it has a Contract with the University.

6.18 Indemnification

The contractor shall indemnify, hold and save harmless the University, its affiliates and subsidiaries and their officers, agents and employees from losses, claims, suits, actions, expenses, damages, costs (including court costs and attorneys’ fees of the University’s attorneys), all liability of any nature or kind arising out of or relating to the Contractor’s response to this RFP or its performance or failure to perform under the contract awarded from this RFP. This clause shall survive termination for as long as necessary to protect the University.

6.19 Insurance

The successful Contractor shall procure and maintain, at its expense, the following minimum insurance coverages insuring all services, work activities and contractual obligations undertaken in this contract. These insurance policies must be with insurers acceptable to the University.

<table>
<thead>
<tr>
<th>COVERAGE</th>
<th>LIMITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers’ Compensation</td>
<td>Statutory Requirements (Kentucky)</td>
</tr>
<tr>
<td>Employer’s Liability</td>
<td>$500,000/$500,000/$500,000</td>
</tr>
<tr>
<td>Commercial General Liability including</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td>operations/completed operations, products</td>
<td>(BI &amp; PD combined) $2,000,000 Products</td>
</tr>
<tr>
<td>and contractual liability (including defense</td>
<td>and Completed Operations Aggregate</td>
</tr>
<tr>
<td>and investigation costs), and this contract</td>
<td></td>
</tr>
<tr>
<td>Business Automobile Liability covering</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td>owned, leased, or non-owned autos</td>
<td>(BI &amp; PD combined)</td>
</tr>
<tr>
<td>Crime</td>
<td>$1,000,000 each occurrence</td>
</tr>
<tr>
<td>Cyber Crime</td>
<td>$2,000,000 each occurrence</td>
</tr>
</tbody>
</table>

The successful contractor agrees to furnish Certificates of Insurance for the above described coverages and limits to the University of Kentucky, Purchasing Division. The University, its trustees and employees must be added as additional insured on the Commercial General Liability policy with regard to the scope of this solicitation. Any deductibles or self-insured retention in the above-described policies must be paid and are the sole responsibility of the contractor. Coverage is to be
primary and non-contributory with other coverage (if any) purchased by the University. All of these required policies must include a Waiver of Subrogation (except Workers’ Compensation) in favor of the University, its trustees and employees.

6.20 Method of Award

It is the intent of the University to award a contract to the qualified offeror whose offer, conforming to the conditions and requirements of the RFP, is determined to be the most advantageous to the University, cost and other factors considered.

Notwithstanding the above, this RFP does not commit the University to award a contract from this solicitation. The University reserves the right to reject any or all offers and to waive formalities and minor irregularities in the proposal received.

6.21 Reciprocal Preference

In accordance with KRS 45A.494, a resident offeror of the Commonwealth of Kentucky shall be given a preference against a nonresident offeror. In evaluating proposals, the University will apply a reciprocal preference against an offeror submitting a proposal from a state that grants residency preference equal to the preference given by the state of the nonresident offeror. Residency and non-residency shall be defined in accordance with KRS 45A.494(2) and 45A.494(3), respectively. Any offeror claiming Kentucky residency status shall submit with its proposal a notarized affidavit affirming that it meets the criteria as set forth in the above reference statute.

6.22 Reports and Auditing

The University, or its duly authorized representatives, shall have access to any books, documents, papers, records or other evidence which are directly pertinent to this contract for the purpose of financial audit or program review.

6.23 Confidentiality

The University recognizes an offeror’s possible interest in preserving selected information and data included in the proposal; however, the University must treat such information and data as required by the Kentucky Open Records Act, KRS 61.870, et seq.

Information areas which normally might be considered proprietary, and therefore confidential, shall be limited to individual personnel data, customer references, formulae and company financial audits which, if disclosed, would permit an unfair advantage to competitors. If a proposal contains information in these areas and the offeror declares them to be proprietary in nature and not available for public disclosure, the offeror shall declare in the Transmittal Letter the inclusion of proprietary information and shall noticeably label as confidential or proprietary each sheet containing such information. Proposals containing information declared by the offeror to be proprietary or confidential, either wholly or in part, outside the areas listed above may be deemed non-responsive and may be rejected.
The University’s General Counsel shall review each offeror’s information claimed to be confidential and, in consultation with the offeror (if needed), make a final determination as to whether or not the confidential or proprietary nature of the information or data complies with the Kentucky Open Records Act.

6.24 Conflict of Interest

This Request for Proposal and resulting Contract are subject to provisions of the Kentucky Revised Statutes regarding conflict of interest and the University of Kentucky’s Ethical Principles and Code of Conduct (www.uky.edu/Legal/ethicscode.htm). When submitting and signing a proposal, an offeror is certifying that no actual, apparent or potential conflict of interest exists between the interests of the University and the interests of the offeror. A conflict of interest (whether contractual, financial, organizational or otherwise) exists when any individual, contractor or subcontractor has a direct or indirect interest because of a financial or pecuniary interest, gift or other activities or relationships with other persons (including business, familial or household relationships) and is thus unable to render or is impeded from rendering impartial assistance or advice, has impaired objectivity in performing the proposed work or has an unfair competitive advantage.

Questions concerning this section or interpretation of this section should be directed to the University purchasing officer identified in this RFP.

6.25 Extending Contract

The offeror’s response to this RFP must state whether or not the offeror will permit the use of this contract by other Universities, state agencies, public and private institutions in the Commonwealth of Kentucky. An answer to this issue must be submitted within the response.

6.26 Personal Service Contract Policies

Pursuant to the Kentucky Model Procurement Code (Code), the Government Contract Review Committee (GCRC) of the Kentucky General Assembly may establish policies that govern personal service contracts. Under the Code, a personal service contract is an agreement whereby an individual, firm, partnership or corporation is to perform certain services requiring professional skill or professional judgment for a specified period of time at an agreed upon price.

A. Professional Service Rate Schedules:

The GCRC has established rate schedules for certain professional services and may impact any contract established under the Code. These rate schedules are located on the GCRC website at www.lrc.ky.gov/statcomm/Contracts/homepage.htm.

B. Invoicing of Personal Service Contracts:

The Kentucky Model Procurement Code was recently amended to establish conditions for invoicing for fees for personal service contracts. It states, “No payment shall be made on any personal service contract unless the individual, firm, partnership, or corporation awarded the personal service contract submits its invoice on a form established by the committee.” The Government Contract Review
Committee has adopted a personal service contract invoice form that must be submitted as a condition of payment. A copy of the form is located on the GCRC website at www.lrc.ky.gov/statcomm/contracts/PSC%20INVOICE%20form.pdf.

6.27 Copyright Ownership and Title to Designs and Copy

The contractor and University intend this RFP to result in a contract for services, and both consider the products and results of the services to be rendered by the contractor hereunder to be a work made for hire. The contractor acknowledges and agrees that the work and all rights therein, including (without limitation) copyright, belongs to and shall be the sole and exclusive property of the University. For any work that is not considered a work made for hire under applicable law, title and copyright ownership shall be assigned to the University.

Title to all dies, type, cuts, artwork, negatives, positives, color separations, progressive proofs, plates, copy and any other requirement not stated herein required for completion of the finished product for use in connection with any University job shall be the property of and owned by the University. Such items shall be returned to the appropriate department upon completion and/or delivery of work unless otherwise authorized by the University. In the event that time of return is not specified, the contractor shall return all such items to the appropriate University department within one week of delivery.

6.28 University Brand Standards

The contractor must adhere to all University of Kentucky Brand Standards. University Brand Standards are maintained by the University Public Relations Office (UKPR) and can be viewed at http://www.uky.edu/pmarketing/brand-standards. Non-adherence to the standards can have a penalty up to and including contract cancellation. Only the UKPR Director or designee can approve exceptions to the University standards.

Graphics standards for the UK HealthCare areas are governed by UK HealthCare Clinical Enterprise Graphic Standards, found at: https://ourbrand.ukhealthcare.org.

Contractor warrants that its products or services provided hereunder will be in compliance with all applicable Federal disabilities laws and regulations, including without limitation the accessibility requirements of Section 255 of the Federal Telecommunications Act of 1996 (47 U.S.C. § 255) and Section 508 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794d), and its implementing regulations set forth at Title 36, Code of Federal Regulations, Part 1194. For purposes of clarity, updated regulations under Section 508 standards now incorporate WCAG 2.0, and for purposes of this agreement WCAG 2.0 Level AA compliance is expressly included. Contractor agrees to promptly respond to, resolve and remediate any complaint regarding accessibility of products or services in a timely manner and provide an updated version to University at no cost. If deficiencies are identified, University reserves the right to request from Contractor, a timeline by which accessibility standards will be incorporated into the products or services provided by Contractor and shall provide such a timeline within a commercially reasonable duration of time. Failure to comply with these requirements shall constitute a material breach of this Agreement and shall be grounds for termination of this Agreement.

Where any customized web services are provided, Contractor represents that it has reviewed the University’s Web Policy and all products or services will comply with its published standards.
Contractor will provide University with a current Voluntary Product Accessibility Template (VPAT) for any deliverable(s). If none is available, Vendor will provide sufficient information to reasonably assure the University that the products or services are fully compliant with current requirements.
7.0 SCOPE OF SERVICES

7.1 Detailed Services Defined

Following contract award, all enrollment and education efforts must be coordinated through the Director of Employee Benefits or his/her designee.

1) Offeror shall agree to provide written materials explaining the plans available. Supplies of these materials shall be available for open enrollment periods and throughout the year as needed. Approximately 5,000 sets of material will be required per fiscal year. This number takes into consideration open houses during open enrollment and new hire enrollments throughout the year. The material shall be submitted to and approved by the Director of Employee Benefits prior to publication. The information should reflect the rules of the University’s Section 125 Plan Document. The materials appearance should also be customized to be identified as a University of Kentucky Document.

2) “Open Houses” (information sessions) will be scheduled for specific times, dates, and places during periods of open enrollment. Generally, about ten (10) open houses are scheduled during open enrollment. Offeror shall give the names and title of persons who shall be available to attend these open houses. The person or persons shall be familiar with the plans and shall be available to answer employees’ questions about the offered plans. The University may or may not require this service.

3) The open enrollment period for the FSA Program shall correspond with the open enrollment period of other University benefits. Open enrollment is normally a twenty-one (21) day period that occurs during the months of April and May. The Offeror shall be prepared to accept enrollment forms in an electronic file format at this time and be prepared to administer the plan effective July 1, 2018. Offeror shall agree in its response that no solicitation materials from the Offeror will be sent to plan participants without the prior approval of the University’s Director of Employee Benefits. Further, the Offerors agree that mailing name and address information shall not be shared, sold or otherwise provided to another company for any purpose, either during the contract period or at any time in the future.

4) Offeror is responsible for flexible spending accounts administration as follows:

   a) Maintain an individual bookkeeping record of each flexible spending account—health care and dependent care—in which an employee elects to participate. Contributions will be posted to these accounts periodically from information provided from the University’s payroll process.

   b) Receive request for payments from participants who submit request form(s) or claims via other available means, along with necessary documentation. Requests must be validated to ensure (1) proper documentation is attached, (2) expenses are eligible for reimbursement, and (3) the expenses were incurred during the plan year, or applicable plan year grace period, the employee was a participant in the applicable account.

   c) Make payments for qualified requests as follows:
• For medical spending account, up to the annual coverage amount elected by the employee.

• For dependent care spending account, up to the balance in a participant’s account. Any unpaid or partially paid dependent care spending account requests must be carried forward and paid in future payment processing as additional deposits are made during the plan year.

d) Allow and make corrections to a participant’s account in the event that erroneous transactions are posted to it. Audit reports must be produced on all transactions posted to participant’s accounts.

e) Provide monthly management reports to include: (1) summary of the activity for each participant’s account for the month and the plan year, and (2) report of all pending (unpaid and partially paid) requests. Provide quarterly participant statements needed for a summary of the activity for the quarter and plan year for each account in which the employee participates. Annually, provide required information on the amount paid into the dependent care account during each calendar year. Once all payments have been processed for a plan year, provide forfeiture report (remaining balances in participants’ accounts).

Customer Service

• There is an expected high level of customer service as well as administrative service with UK administrative teams. TPA to support on processes to grow the number of participants.

• Provide and maintain an “employer hotline” during regular business hours in addition to daily-use, employee toll-free telephone lines as outlined in 7.06.

• Produce explanation of benefits statements for employees to identify the expenses that are being reimbursed preferably online and available on a mobile application.

• Generate third and fourth quarter (plan year) statements. The third quarter statement should include a message reminding participants to re-enroll for the next year. Fourth quarter statements should remind participants to file all claims from plan year and of $500 rollover guidelines.

• Conduct an annual, written survey of a random sample of employees to determine their satisfaction with the plan and its services and provide results to the University.

Accounting

• Maintain an individual accounting record for each account---health care and/or dependent care---elected by each employee.

• Update participants’ accounts monthly as well as biweekly during the year with deposits from the employee pre-tax deductions. These contributions will be
deposited into a University account. The amount added to each account for each participant must be reported on an audit report.

• Direct payments into participant accounts are directed by the Offeror.

• Provide monthly management reports that display participant account activity and current status information. These reports will be provided in an electronic format as agreed upon by both parties.

• Generate monthly accounting reports for proper audit control; deposit transaction reports, reimbursement requests reports, unpaid/partially paid requests, and adjustment reports.

• Provide annual summary information on file of the amount paid into the dependent care flexible spending account for the calendar year, for use in W-2 production.

• Report forfeitures annually after the last payment cycle of the plan year and grace period is complete (100 days following the close of the plan year).

Claims

• Approve qualified reimbursement payment requests.

• Record the information from reimbursement request forms.

• Validate participants’ reimbursement requests.

• Determine the amounts available for reimbursement payments.

• Generate reimbursement checks/direct deposits and payment registers.

• Provide confirmation packages with confirmation letter, sample claim form, blank claim form and return envelope to new enrollees.

• Issue additional check(s) in future payment processing, as additional funds are deposited for pending unpaid or partially paid dependent care spending account requests.

• Provide debit card service for the healthcare flexible spending account.
8.0 FINANCIAL OFFER SUMMARY

Offerors are to provide a fixed price for the services offered.

8.1 Mandatory Services (Section 7.1)

Please complete and attach Section 7.1 to provide support for your firm fixed price bid.

Advise pricing for each element or advise if there are certain elements which are inclusive with the engagement without added fees.

8.2 Alternate Pricing

In addition to the above financial offer, the offeror may submit alternative financial proposals, however the information requested above must be supplied and will be used for proposal evaluation purposes.