

5. SECTION B - SCOPE OF SERVICES

5.1. Background

Montgomery County, Maryland (hereafter, "County" or "MCG") borders the nation's capital and with over one million residents, is one of the State's most populous and ethnically diverse counties. The County, with a tax-supported operating budget of over \$2.4 billion, is comprised of Executive, Judicial, and Legislative branches. The County Government is organized by departments, offices, boards, and commissions by related activity. The functions of the Montgomery County Government are:

General Government
Public Safety
Transportation
Health and Human Services
Libraries, Culture and Recreation
Community Development and Housing
Environment
Other County Functions

The Office of Human Resources (hereafter, OHR) is responsible for providing a variety of human resource-related services to all County departments. The County employs approximately 9,100 permanent and 2,929 temporary/seasonal employees.

OHR services include salary administration, employee development and training, recruitment, and testing, EEO and diversity management, employee benefits, occupational medical services, and policy development, guidance, and interpretation. These services are provided organizationally under a team structure.

OHR's Health and Employee Welfare team is responsible for the provision and administration of the County's health and welfare programs. Eligible Active employees may elect to participate in a variety of benefits options including health, prescription, dental, life, and vision. In addition, the County also offers flexible spending accounts for health and dependent care related expenses and commuter tax benefits. The implementation of a health savings plan program is under consideration as well.

5.2. Intent

The County is seeking proposals from qualified vendors to provide Flexible Spending Accounts (FSAs) and Health Savings Accounts (HSA) effective January 1, 2027. Currently the County offers FSAs program that include Health Care, Child Care, and Commuter/Mass Transit accounts. The Health Saving Account (HSA) program is not an option under the current County's benefit plan, but it may be implemented in the future.

The intent of this RFP is to select one (1) Contractor to provide Flexible Spending Accounts (FSAs) and Health Savings Accounts (HSA) plans effective January 1, 2027. Offerors must duplicate the County's existing FSA program and services and must identify any deviations in instances where they were unable to duplicate existing services within PF 5– Deviations of Attachment D, Technical Questionnaire. The County's current FSA plans are listed under PF6 - Current Plan Design of Attachment D, Technical Questionnaire.

The primary objective is to contract with a Third-Party Administrator (TPA) with full knowledge, capability and resourcefulness to effectively administer the County's FSA program including eligible claims reimbursement, record keeping, enrollment services, participant education and communications in accordance with IRS guidelines.

5.3. Scope of Services

The Contractor selected under this RFP must provide FSA administration services to all County's eligible employees as described in this RFP and outlined in Attachment D-Technical Questionnaire.

Currently, FSA administration services are provided by a Third-Party Administrator (TPA). Current TPA is Voya Benefits Company, LLC. The services described in this RFP are independent of existing health benefits.

The County reserves the right under the Contract to negotiate a change in coverage under the Plans that is within the general scope of the executed Contract with the Contractor at any time during the contract term subject to mutual written agreement of the parties via a written Contract Amendment.

5.3.1. Current Plan Information for Historical Purposes

Eligibility: Eligible employees must elect or waive benefits during each annual open enrollment held in September/October for a January 1st effective date. Enrollment elections may not be changed until the next open enrollment period, unless there is an IRS-qualified change in status.

Eligibility Outline	
FOP	Fraternal Order of Police, Lodge 35
IAFF	International Association of Fire Fighters, Local 1664
MC GEO	Montgomery County Government Employees Organization
NON-UNION	County employees not represented by a union

Health Care FSA and Dependent Care FSA: Only County active employees of MC GEO, FOP, IAFF, and Unrepresented employees are eligible for the Health Care and Dependent Care FSAs. Participating Agencies are not eligible to participate. Currently, 10,499 employees are eligible for the Health Care FSA and Dependent Care FSA, and 3,248 employees are enrolled.

Commuter/Mass Transit FSA: Only active employees of the MC GEO union and the County's Unrepresented active employees are eligible for Commuter/Mass Transit benefits. The program is not currently available to members of the IAFF or FOP unions or to the County's Participating Agencies. Currently, 8,440 employees are eligible for the Commuter/Mass Transit, and 36 employees are enrolled.

Current Enrollees (Participants)	MC GEO (OPT+SLT)	FOP (Police)	IAFF (Fire)	Unrepresented (Non-Union)	Total
HC FSA	1,390	205	319	902	2,816
DCFSA	157	50	57	168	432
Both HC FSA + DCFSA (Unique Participant Counts)	123	33	36	129	321
Commuter Parking	15	Not Eligible	Not Eligible	9	24
Mass Transit	2	Not Eligible	Not Eligible	2	4

5.3.2. FSA Administration services include, but are not limited to the following:

a. Account Support

- i. Provide a designated experienced senior account executive with the ability to make timely decisions.
- ii. Maintain compliance with plan requirements. Provide notice of any changes in legislation affecting the administration of Flexible Spending Accounts and Health Savings Accounts. Provide solutions and advice on changes in a timely manner including a cost analysis and an implementation plan, if necessary.
- iii. Serve as a technical resource on compliance including Internal Revenue Code (IRC) Section 125.
- iv. Upon termination or expiration of the contract, provide all necessary data and records to administer the plan under a new contractor within thirty (30) days of request by the County, including member available balances, forfeiture balances and any pending claims.
- v. Provide procedural guidelines, contact information, and sample communication materials.
- vi. Provide online access for the County to enroll participants and make account changes as necessary.
- vii. Biweekly communication (feedback file) of all funding discrepancies to the County.
- viii. Biweekly check-in service calls with account team.
- ix. Conduct annual meeting with the County to review account and administration.
- x. Cancellation.

b. Program Administration

- i. Record keeping services must offer a paperless solution for both, plan participants and the County, including, but not limited to, web communications, self-service tools and resources, enrollment capabilities, account access, and status of member claims.
- ii. Participant information must be kept secure and accurate.
- iii. Maintain compliance with Health Insurance Portability and Accountability Act (HIPAA).
- iv. Prepare and provide detailed monthly accounting statements for County designated staff based on structure that is determined by the County.
- v. Provide standard FSA/HSA electronic statement that includes claim type (manual, debit card, etc.), date of service, date of transaction, member type (employee/dependent) and type of service (medical, prescription, dental, etc.)
- vi. Provide standard electronic Excel Commuter reports, which will include the following:
 - Employees who have not used commuter benefits in four (4) months or more
 - Inactive employees during a specified time (month, quarter, year, etc.)
 - New eligible employees during a specified time (month, quarter, year, etc.)
 - Detailed list of customer complaints and resolutions.
 - Enrollment roster with member balances
 - Forfeiture balances
- vii. Provide electronic claim, payment reimbursement, and enrollment reports by subgroup.
- viii. Provide electronic notification on required funding by plan type and year on a weekly basis.
- ix. Must be able to accept wire transfers/ACH of funds for payment by the County.
- x. Ability for participants to submit reimbursement requests via secure website and several other options (mail, facsimile, e-mail, mobile upload).
- xi. Provide several options for participants to receive reimbursements.

- xii. Provide all plan information necessary to illustrate compliance as required by law.
 - xiii. Perform non-discrimination testing for FSA plans at a minimum of every two (2) times per plan year: first day of plan year, mid-point, and last day of plan year.
 - xiv. Must provide forfeiture reports within forty-five (45) days of the end of the grace period for each plan year.
 - xv. Provide clear Explanation of Benefits communications. Must include samples with proposal for the County to review.
 - xvi. Must process retro terminations back 90 days.
 - xvii. Provide ad-hoc reporting as requested by the County. Must provide standard ad-hoc samples with proposals.
 - xviii. Provide to the County all Plan Documents, Summary Plan Descriptions (SPD) and plan highlights at no additional cost to the County.
 - xix. Provide clear, written guidelines including timelines for the process of handling uncertain claims, corrections and reversals.
 - xx. Provide clear, written guidelines including timelines for the process of handling denied claims.
 - xxi. Maintain the ability to process claims simultaneously for different plan years while still providing reports by plan year.
 - xxii. Reimbursements must be processed and issued in no more than forty-eight (48) hours.
 - xxiii. Provide participants with a debit card option and online access that has an option to go paperless for certain reports including but not limited to forfeiture warnings, electronic opt out for paper communications, etc.
 - xxiv. All records must be kept and accurate for all time periods.
- c. Enrollment and Data Services
- i. Provide data files including enrollment in a mutually agreeable format.
 - ii. Must accept ANSI 834 file format or another file format approved by the County.
 - iii. On a weekly basis, must be able to accept a full file or change file.
 - iv. Must provide two (2) user ID's for sftp.
 - v. Sftp password must never expire.
 - vi. Maintain separate accounts or subgroups as required.
 - vii. Must provide access to full file validation parallel test environment, with a minimum testing period of at least 180 days prior to initial implementation or any requested file changes necessary. Vendor's test environment must allow MCG to see all errors before the file is moved into production and agree to communicate ALL errors on the full test file within 24 hours.
 - viii. For any eligibility file spec changes, vendor must notify the County within 90-180 business days; and updates and testing must not coincide between the months of September through December of each calendar year.
 - ix. Must provide dedicated assigned technical resources available to the County at both initial implementation and ongoing throughout the year to address any and all eligibility file concerns and testing.
 - x. Ability to accept open enrollment full file thirty (30) days in advance of the start of each plan year and distribute debit cards to participants to ensure receipt of the cards occurs prior to the start of each plan year.
 - i. Ability to process and pay claims remaining from the previous plan year.
- d. Customer Service
- i. Provide representatives available between the hours of 8:00AM and 5:00PM EST by local or toll-free customer service number.
 - ii. Maintain website available twenty-four (24) hours where participants may view account balances, activity and claim status.

- iii. Provide participants with quarterly statement to include their account activity and account balances. As well as provide communication to participants regarding the available balances in their accounts a minimum of sixty (60) days before the end of the plan year/grace period to help decrease unnecessary forfeitures.
- iv. Educate employees through marketing materials on the program benefits to increase program participation. Provide samples as part of the proposal.
- v. Provide all communication materials 30-60 days in advance for review by the County prior to distributing to the employees.
- vi. Provide necessary communication materials, both electronic and hard copy, for annual open enrollment by the date requested by the County as well as provide copies throughout the year when needed.
- vii. Provide marketing materials at no additional costs.
- viii. Actively participate at in-person open enrollment events and meetings throughout the year.
- ix. Provide the County with a professional video (brainshark or similar with a table of contents and tracking the number of views) on an annual basis during open enrollment with URL that does not expire.
- x. Provide same or next-day responses and/or resolutions to inquiries made by participants or the County.
- xi. The offeror will commit to meet on a semi-annual basis, or more frequently, if necessary, with designated representatives to review plan operations and discuss program initiatives.
- xii. The offeror will provide initial and periodic orientation to all eligible users on how to utilize the program.
- xiii. The offeror will provide periodic training to designated personnel upon County's request.
- xiv. The County reserves the right to review, revise and approve all communications prepared by the Offeror prior to distribution to employees.
- xv. Offeror shall provide, at their expense, any promotional material aimed at evoking member and their dependents interest, including raffle items, giveaways and printed flyers.

5.4. Contractor's Qualifications

- 5.4.1. Offeror's names, address, phone number and contact person must be provided.
- 5.4.2. Statement of HIPAA compliance.
- 5.4.3. The Offeror must have at least five years of experience in administrating FSA and HSA services for public sector clients of similar complexity and size with at least 5,000 eligible employees.
- 5.4.4. Description of the history of the organization, its growth on a national level, and its ownership structure.

5.5. County's Responsibilities

The County will provide the Contractor with the following:

- A listing, in the County's format, of all Employees who are enrolled/eligible on January 1, 2027, and January 1st of any subsequent year this Contract is in effect.
- The County will provide a weekly enrollment report/file that is in the County's format.
- The County will conduct an annual Open Enrollment.
- The County will provide bi-weekly payroll files reflecting the bi-weekly payroll deductions for all enrolled members.

5.6. Performance Guarantees

The Contractor must provide performance guarantees metrics as requested in Attachment D-Technical Questionnaire.