

CITY OF KNOXVILLE
REQUEST FOR PROPOSALS

**Flexible Spending Account and Health Reimbursement
Account Administration**

**Proposals to be Received by 11:00:00 a.m., Eastern Time
June 12, 2020**

Submit Proposals to:
City of Knoxville
Office of the Purchasing Division
City/County Building
Room 667-674
400 Main Street
Knoxville, Tennessee 37902

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Reimbursement Account Administration

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**City of Knoxville
Request for Proposals**

Flexible Spending Account and Health Reimbursement Account Administration

I. Statement of Intent

The City of Knoxville is requesting proposals from responsible firms or teams to provide Flexible Spending Account (FSA) and Health Reimbursement Account (HRA) Administration. The City intends to award a contract for a three-year base term with two optional one-year renewals. NOTE: The City will only accept proposals from FSA/HRA vendors and not brokers. Additionally, all proposals should be net of commission.

II. RFP Time Line

Availability of RFPMay 22, 2020

Deadline for questions to be submitted in writing to the
Purchasing DivisionJune 5, 2020

Proposals Due DateJune 12, 2020

Contract Start Date.....January 1, 2021

This timetable is for the information of submitting entities. These dates are subject to change. **However, in no event shall the deadline for submission of the proposals be changed except by written modification from the City of Knoxville Purchasing Division.**

III. Background

FSA and HRA Background

The City of Knoxville has offered health care and dependent care flexible spending accounts (FSA) since 1994 and in 2006, added Health Reimbursement Accounts (HRA). Due to plan design features, explained in detail below, the City offers the following:

- Qualified Health Care FSA for active employees
- Qualified HSA-compatible (limited purpose) FSA for active employees
- Dependent Care FSA for active employees
- HRA for active employees
- RHRA for former employees covered under the City’s Retiree medical plan

The plan design for qualified Health Care FSAs and qualified HSA-compatible FSA for active employees allows for reimbursement of all Section 213(d) expenses. In addition to employee contributions, the City of Knoxville will contribute \$500 annually (prorated for new hires) into the Health Care FSA for employees who waive medical coverage because they have health

coverage through another source.

The City of Knoxville's Health care FSA program allows employees to contribute pre-tax money up to the \$2,750 and may increase this to the IRS maximum for 1/1/2021. The reimbursement of expenses follows IRS guidelines. The City does participate in the rollover provision established by the IRS that allows a participant to roll up to \$500 of unused FSA funds to the next plan year.

The City of Knoxville's Dependent care FSA program allows employees to contribute pre-tax money to follow IRS Regulations, \$5,000 for married filing jointly and \$2,500 for single or head of household.

The City of Knoxville implemented an HRA effective January 1, 2006. If the employee (and covered dependents age 18+) participates in the City's wellness program, My Health, the employee is eligible for HRA contributions. The contribution criteria and frequency are described in more detail in the table below labeled *HRA for Active Employees*. The HRA balances roll over each year with no maximum limit as long as the employee continues to be enrolled in the City's medical plan.

Eligible employees who retire prior to age 65 and elect retiree medical coverage are eligible to continue to receive City HRA contributions as shown below. Retiree medical coverage terminates when the retiree is eligible for Medicare coverage due to age or disability. A Retiree who terminates medical coverage is eligible to access his/her remaining HRA balance until the end of the plan year following the year that he/she terminates retiree medical coverage. For example, if an employee becomes eligible for Medicare on June 1, retiree medical coverage is terminated on May 31st and the retiree will have access to the remaining funds in their Retiree HRA through December 31 of the following year.

City employees who retire and are not eligible for retiree coverage are treated like a terminated employee and may only access their available un-spent HRA account balance through COBRA.

Because it is possible for City employees to have both a Health Care FSA and a HRA, the City designated that the Health Care FSA reimburses medical expenses first. Once Health Care FSA funds have been exhausted, claims are paid from the HRA.

Employees and retirees currently have three options for accessing their FSA and/or HRA funds:

1. Use their debit card (provided by the FSA/HRA vendor), or
2. Log on to the FSA/HRA vendor website, access their personal account and request a payment directly to their Provider, or request reimbursement to themselves* for an eligible expense, or
3. Mail or fax a paper claim form with receipts to the FSA/HRA vendor.

*Online pay me back claims. Enter your claims online and you'll have the option to upload an electronic copy of your itemized bill or explanation of benefits or print an Online Claim Form to submit along with your itemized bill or explanation of benefits.

The City allows employees 60 days to make qualifying life event changes versus the standard 31

days.

With our current vendor, we upload enrollment and funding files to the vendor site. At the start of each plan year, we upload those that elected FSA and their amounts. We also upload compassion contributions to HRAs for employees that meet the requirements listed in the table below, as well as enrollment and funding to employees with coverage elsewhere.

The City has two payroll schedules, one for uniformed bodies and another for all others, that alternate weeks. Every Friday, the City uploads a file to our vendor with FSA deductions from that week’s payroll. If we upload an amount for an employee that exceeds their election or if an account hasn’t been set up, we receive an error message via the site.

We also upload HRA dollars to employees who participate in the City’s My Health wellness program on a monthly basis. If the member does not have a profile or account set up, only the participants upload will error, not the entire file, unless the number of errors is too great—then the entire file will reject.

All other changes throughout the year, like life events, are done via employer access to the vendor site and not through a file upload. If an employee is on leave and is not receiving a paycheck, we will allow “catch-up” contributions. Our payroll system, PeopleSoft, determines the amounts based on the paychecks left in the year and this new amount will be uploaded.

When an eligible employee retires from the City, their HRA becomes an RHRA and the funds from the HRA are transferred to RHRA. To move the funds, we enter a negative balance in the HRA and the corresponding amount to the RHRA. Once the funds in the HRA have been moved, we close that account. During the period when both the HRA and the RHRA are open, the card does not work.

The tables below include summary information on the current FSA and HRA programs for 2020.

	<i>HEALTH CARE FSA</i> And LIMITED PURPOSE FSA	<i>DEPENDENT CARE FSA</i>
<i>Eligibility</i>	All active employees. New employees are eligible on the first day of the month following 60 days of full time employment.	All active employees. New employees are eligible on the first day of the month following 60 days of full time employment.
Number of Eligible Employees	1,467	1,467
2020 Participating Employees	375 (approximately 8 with limited purpose)	20
Funding	Employee salary reduction City contribution – only for employees who waive medical coverage	Employee salary reduction
Claims Filing Deadline	Active Employees: March 31 following the end of the plan year Terminated Employees: 90 days after date of termination	Active Employees: March 31 following the end of the plan year Terminated Employees: 90 days after date of termination

Minimum Contribution Amount	\$120 per calendar year	\$120 per calendar year
Maximum Contribution Amount	\$2,750 per calendar year (adjusted annually based on IRS max)	\$5,000 per calendar year
Minimum Claim Amount	None	None
Frequency of Claim Payment	Daily	Daily
Reimbursement Method	Direct Deposit, Check	Direct Deposit, Check
Management Reports Employee Employer	Monthly Daily for City Treasury	Monthly Daily for City Treasury
Plan Year	1/1 – 12/31	1/1 – 12/31
Eligible Expenses	All IRS Section 213(d) expenses	All IRS authorized expenses

	<i>HRA For Active Employees</i>		
<i>Eligibility</i>	<p>All active employees (and covered dependents age 18+) who are (1) enrolled in the City medical plan; and (2) participate in the City’s wellness program. New employees are eligible on the first day of the month after 60 days of full time employment.</p> <p>Employee (and covered dependents age 18+) must participate in the City’s wellness program to qualify for HRA contributions.</p> <p>The HRA account is in the employee’s name and contains all funds earned by the employee and his/her covered dependent(s), as long as they are covered by an employer-sponsored plan.</p>		
Number of Eligible Employees	1,467		
2020 Participating Accounts	1,305		
Funding	City contribution		
Filing Deadline	90 days after the date of termination		
Contributions	<u>Criteria for 2020:</u> Participation in Wellness program as Employee Only Coverage Employee/Spouse and/or Children Salary < \$25,000 Salary \$25,000 - \$29,999 Salary \$30,000 - \$34,999 Salary \$35,000 - \$39,999 Salary \$40,000 - \$44,999	<u>Contribution</u> \$40 \$80 \$300 \$250 \$200 \$150 \$100	<u>Frequency</u> Monthly Monthly Annually Annually Annually Annually Annually
	New Hires: HRA contributions for salary are prorated based on number of months remaining in the plan year.		

Minimum Claim Amount	None
Frequency of Claim Payment	Daily
Reimbursement Method	Direct Deposit, Check
HRA Rollover	Provided with no limit as long as enrolled in the City Medical plan. If an employee with an HRA account balance waives medical coverage at Annual Enrollment, HRA account funds remain available through the end of the following calendar year.
Management Reports: Employee Employer	Monthly for employee Weekly for City Treasury
Plan Year	1/1 – 12/31
Eligible Expenses	All IRS Section 213(d) expenses

	<i>HRA For Retirees</i>		
<i>Eligibility</i>	At the point of retirement, any balance remaining in an employee's HRA will be moved into a Retiree HRA. In addition, retirees may be able to earn additional HRA contributions as shown below.		
2020 Retiree Accounts	117		
Funding	City contribution		
Filing Deadline	None as long as the retiree continues to be enrolled in the City's retiree medical plan. Once the retiree terminates City retiree medical coverage, the claims filing deadline is December 31 st of the calendar year following the year in which coverage terminated.		
Contributions	<u>Criteria</u> Participation in Wellness program as Retiree Only Coverage Employee/Spouse and/or Children	<u>Contribution</u> \$40 \$80	<u>Frequency</u> Monthly Monthly
Minimum Claim Amount	None		
Frequency of Claim Payment	Daily		
Reimbursement Method	Direct Deposit, Check		
HRA Rollover	Coverage ends at the end of the plan year following the plan year in which the retiree's City medical coverage terminates. For example, if the City retiree medical coverage terminates on June 30th, the retiree would have access to use the remaining funds in his/her Retiree HRA through December 31 of the following year.		
Management Reports Retiree Employer	Monthly Weekly for City Treasury		
Plan Year	1/1 – 12/31		
Eligible Expenses	All IRS Section 213(d) expenses, Medicare premiums (Parts B&D), Medicare Supplement Plan premiums		

IV. General Conditions

4.1 The following data is intended to form the basis for submission of proposals to provide Flexible Spending Account and Health Reimbursement Account Administration for the City of Knoxville.

4.2 This material contains general conditions for the procurement process, the scope of service requested, contract requirements, instructions for submissions of proposals, and submission forms that must be included in the proposal. The RFP should be read in its entirety before preparing the proposal.

4.3 All materials submitted pursuant to this RFP shall become the property of the City of Knoxville.

4.4 To the extent permitted by law, all documents pertaining to this Request for Proposals shall be kept confidential until the proposal evaluation is complete and a recommendation submitted to City Council for review. No information about any submission of proposals shall be released until the process is complete, except to the members of the Evaluation Committee and other appropriate City staff. All information provided shall be considered by the Evaluation Committee in making a recommendation to enter into an agreement with the selected consultant.

4.5 Any inquiries, suggestions or requests concerning interpretation, clarification or additional information pertaining to the RFP shall be made **in writing and be in the hands of the Purchasing Agent by the close of the business day on June 5, 2020.** Questions can be submitted by letter, fax (865-215-2277), or email to powens@knoxvilletn.gov. The City of Knoxville is not responsible for oral interpretations given by any City employee, representative, or others. The issuance of written addenda is the only official method whereby interpretation, clarification, or additional information can be given. If any addenda are issued to this Request for Proposals, the Purchasing Division will post them to the City's website at www.knoxvilletn.gov/bids. Submitting organizations are strongly encouraged to view this website often to see if addenda are posted. Failure of any proposer to receive such addendum or interpretation shall not relieve such Proposer from any obligation under his proposal as submitted. All addenda so issued shall become part of the Contract Documents.

4.6 The City of Knoxville reserves the right to (a) accept or reject any and/or all submissions of proposals; (b) to waive irregularities, informalities, and technicalities; and (c) to accept any alternative submission of proposals presented which, in its opinion, would best serve the interests of the City. The City shall be the sole judge of the proposals, and the resulting negotiated agreement that is in its best interest, and its decision shall be final. The City also reserves the right to make such investigation as it deems necessary to determine the ability of any submitting entity to perform the work or service requested. Information the City deems necessary to make this determination shall be provided by the submitting entity. Such information may include, but is not limited to, current financial statements by an independent CPA, verification of availability of equipment and personnel, and past performance records.

4.7 Included in the Contract Documents is an affidavit that the undersigned has not entered into any collusion with any person in respect to this qualification. The qualifier is required to submit this affidavit with the submission. Also included is the Diversity Business Program contracting packet. Submissions must indicate on the enclosed form whether or not the proposer/qualifier intends to use subcontractors and/or suppliers from one of the defined groups. Proposers/Qualifiers are advised that the City tracks use of such use, but it does not influence or affect evaluation or award.

4.8 Subsequent to the Evaluation Committee's review and the Mayor's recommendation of a firm(s), Knoxville City Council approval may be required before the final contract may be executed.

4.9 All expenses for making a submission of proposal shall be borne by the submitting entity.

4.10 Any submission of proposals may be withdrawn up until the date and time for opening of the submissions. **Any submission not so withdrawn shall, upon opening, constitute an irrevocable offer for a period of 120 days to the City of Knoxville for the services set forth in the Request for Proposals until one or more of the submissions have been duly accepted by the City.**

4.11 Prior to submitting their proposals, proposers are to be registered with the Purchasing Division through the City of Knoxville's online Vendor Registration system. Instructions for registering on-line are available at www.knoxvilletn.gov/purchasing. **Proposals from un-registered proposers may be rejected.**

4.12 **NO CONTACT POLICY:** After the posting of this solicitation to the Purchasing Division's website, any contact initiated by any proposer with any City of Knoxville representative concerning this proposal is strictly prohibited, unless such contact is made with the Purchasing Division representative listed herein or with said representative's authorization. Any unauthorized contact may cause the disqualification of the proposer from this procurement transaction. Proposals must include a notarized No Contact/No Advocacy Affidavit (to be found in the "Submission Forms" section of this document).

4.13 **INCLEMENT WEATHER:** During periods of inclement weather, the Purchasing Division will enact the following procedures with regard to solicitations and weather delays:

- If City offices are closed due to inclement weather on the date that bids/proposals/qualifications/letters of interest are due into the Purchasing Office, all solicitations due that same day will be moved to the next operational business day.
- The City of Knoxville shall not be liable for any commercial carrier's decision regarding deliveries during inclement weather.

V. Scope of Service

The City of Knoxville is seeking proposals from responsible firms or teams to provide Flexible Spending Account and Health Reimbursement Account Administration services for the City's employees. The services sought include, but are not limited to, the following:

5.1 Delivery of an acceptable level of service at the lowest net cost to the City and its employees.

5.2 A firm with a history of providing superior benefit/claims administration and recordkeeping service supported by client references.

5.3 Administration, reports and support including the following requirements:

FSA and HRA Administration:

- Provide support for plan and plan document development and maintenance (This includes the two HRA plan documents and summary plan descriptions as well as plan document and summary plan description for the Health Care FSAs)
- Generate FSA benefit election confirmation forms after enrollment and mail to employee with FSA welcome kit. For those employees with an e-mail address on file with vendor, e-mail benefit election confirmation.
- Maintain a record of deposits and withdrawals for each employee's FSA account
- Provide each FSA participant and/or HRA participant with a debit card
- Generate annual individual account statements reflecting the balance in their FSA and HRAs, and mail the statements to the employee/retiree home address within a defined timeframe after the end of the plan year
- Update FSA/HRA balances as often as monthly based on the City's plan design
- Set up FSA and HRAs for new hires on a monthly basis
- Maintain a record of contributions and withdrawals for each employee's HRA account
- Provide for direct claims submissions by U.S. mail, web, fax, or email
- Accommodate a weekly automated file feed of claims from the City's Medical carrier (currently BlueCross BlueShield of Tennessee) for substantiation purposes, if deemed necessary
- Reimburse qualified employee medical expenses from the appropriate account (health care FSA funds used first, then HRA funds) up to the annual election amount for FSAs and available account balance for HRAs
- Provide statements to participants by U.S. mail or email
- Provide monthly enrollment summaries to the City
- Provide online claims inquiry and toll-free number for employee claims submissions and inquiries
- Allow the City online access to summary account information for employee FSA and HRAs
- Provide assistance in development of required payroll and employee data system changes
- Provide quarterly management reports indicating plan utilization by employee and account balances
- Provide on demand funding reports, contributions and payment reports, enrollment reports, invoices, account activity report
- Completion of annual Non-Discrimination Testing for applicable plans

5.4 Meeting the general requirements and provisions of this RFP.

5.5 Information on billing required by the City must include at a minimum:

- Medical FSA Administration Fee Details
- Dependent Care FSA Administration Fee Details
- HRA Administration Fee Details
- Debit Card Administration Fee Details

Contractor must demonstrate an ability to provide billing in this format or an alternative format agreed to by the City.

VI. Contract Requirements

Submitting entities, if selected, must be willing to sign a contract with the City which will include certain provisions, among which are the following:

6.1 **Contract Documents.** The contract shall consist of (1) the RFP; (2) the proposal submitted by the contractor to this RFP; and (3) the contract. In the event of a discrepancy between the contract, the RFP and the submitted proposal, the terms that provide the greater benefit to the City and/or impose the greater obligation to the contractor will prevail.

6.2 **Administration.** The contract will be administered by the City of Knoxville Employee Benefits and Risk Department.

6.3 **Invoices.** Invoices for services will be submitted to the City in accordance with the contract terms.

6.4 **Independent Contractor.** The relationship of contractor to the City will be that of independent contractor. The contractor will be solely and entirely responsible for its acts and for the acts of its agents, employees, servants and subcontractors done during the performance of the contract. All services performed by the contractor shall be provided in an independent contractor capacity and not in the capacity of officers, agents, or employees of the City.

6.5 **Assignment.** The contractor shall not assign or transfer any interest in this contract without prior written consent of the City of Knoxville.

6.6 **Indemnification and Hold Harmless.** The successful proposer will be required to sign a contract with the City which contains the following indemnification clause. This indemnification clause will not be altered in any way. Failure to agree with this indemnification clause in the contract may result in the City moving to the next responsible responsive proposer.

Contractor shall defend, indemnify and hold harmless the City, its officers, employees and agents from any and all liabilities which may accrue against the City, its officers, employees and agents or any third party for any and all lawsuits, claims, demands, losses or damages alleged to have arisen from an act or omission of Contractor in performance of this Agreement or from Contractor's failure to perform this Agreement using ordinary care and skill, except where such

injury, damage, or loss was caused by the sole negligence of the City, its agents or employees.

Contractor shall save, indemnify and hold the City harmless from the cost of the defense of any claim, demand, suit or cause of action made or brought against the City alleging liability referenced above, including, but not limited to, costs, fees, attorney fees, and other expenses of any kind whatsoever arising in connection with the defense of the City; and Contractor shall assume and take over the defense of the City in any such claim, demand, suit, or cause of action upon written notice and demand for same by the City. Contractor will have the right to defend the City with counsel of its choice that is satisfactory to the City, and the City will provide reasonable cooperation in the defense as Contractor may request. Contractor will not consent to the entry of any judgment or enter into any settlement with respect to an indemnified claim without the prior written consent of the City, such consent not to be unreasonably withheld or delayed. The City shall have the right to participate in the defense against the indemnified claims with counsel of its choice at its own expense.

Contractor shall save, indemnify and hold City harmless and pay judgments that shall be rendered in any such actions, suits, claims or demands against City alleging liability referenced above.

The indemnification and hold harmless provisions of this Agreement shall survive termination of the Agreement.

6.7 Termination. The City may terminate this Agreement at any time, with or without cause, by written notice of termination to the Contractor.

If the City terminates this Agreement, and such termination is not a result of a default by the Contractor, the Contractor shall be entitled to receive as its sole and exclusive remedy the following amounts from the City, and the City shall have no further or other obligations to the Contractor: the amount due to the Contractor for work executed through the date of termination, not including any future fees, profits, or other compensation or payments which the Contractor would have been entitled to receive if this Agreement had not been terminated.

The City may, by written notice of default to the Contractor, terminate the whole or any part of this Agreement if the Contractor fails to perform any provisions of this Agreement and does not cure such failure within a period of ten (10) days (or such longer period as the Purchasing Agent may authorize in writing) after receipt of said notice from the Purchasing Agent specifying such failure. If this Agreement is terminated in whole or in part for default, the City may procure, upon such terms and in such manner as the Purchasing Agent may deem appropriate, supplies or services similar to those terminated.

6.8 Insurance. When applicable and prior to the commencement of the contract, contractor must, at its sole expense, obtain and maintain in full force and effect for the duration of the Agreement and any extension hereof at least the following types and amounts of insurance for claims which may arise from or in connection with this Agreement. Contractor shall furnish the City of Knoxville with properly executed certificates of insurance which shall clearly evidence all insurance required by the City. All insurance must be underwritten by insurers with an A.M. Best rating of A-VIII or better. Such insurance shall be at a minimum the following:

- A. **Commercial General Liability Insurance;** occurrence version commercial general liability insurance, and if necessary umbrella liability insurance, with a limit of not less than \$2,000,000 each occurrence for bodily injury, personal injury, property damage, and products and completed operations. If such insurance contains a general aggregate limit, it shall apply separately to the work/location in this Agreement or be no less than \$3,000,000.

Such insurance shall:

(a.) Contain or be endorsed to contain a provision that includes the City, its officials, officers, employees, and volunteers as additional insureds with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations. The coverage shall contain no special limitations on the scope of its protection afforded to the above-listed insureds. Proof of additional insured status up to and including copies of endorsements and/or policy wording will be required.

(b.) For any claims related to this project, Contractor's insurance coverage shall be primary insurance as respects the City, its officers, officials, officers, employees, and volunteers. Any insurance or self-insurance programs covering the City, its officials, officers, employees, and volunteers shall be excess of Contractor's insurance and shall not contribute with it.

(c.) At the sole discretion of the City, dedicated limits of liability for this specific project may be required.

- B. **Automobile Liability Insurance;** including vehicles owned, hired, and non-owned, with a combined single limit of not less than \$1,000,000 each accident. Such insurance shall include coverage for loading and unloading hazards. Insurance shall contain or be endorsed to contain a provision that includes the City, its officials, officers, employees, and volunteers as additional insureds with respect to liability arising out of automobiles owned, leased, hired, or borrowed by or on behalf of Contractor.
- C. **Workers' Compensation Insurance.** Contractor shall maintain workers' compensation insurance with statutory limits as required by the State of Tennessee or other applicable laws and employers' liability insurance with limits of not less than \$500,000. Contractor shall require each of its subcontractors to provide Workers' Compensation for all of the latter's employees to be engaged in such work unless such employees are covered by Contractor's workers' compensation insurance coverage.
- D. **Professional Liability (including Errors & Omissions).** Contractor shall maintain professional liability insurance covering claims arising from real or alleged errors, omissions, or negligent acts committed in the performance of

professional services under this Agreement with limits equal to the general liability requirement but no less than \$2,000,000. Coverage for contingent bodily injury and property damage should be included or endorsed onto the policy.

D. Other Insurance Requirements. Contractor shall:

- Prior to commencement of services, furnish the City with original certificates and amendatory endorsements effecting coverage required by this section and provide that such insurance shall not be cancelled, allowed to expire, or be materially reduced in coverage except on 30 days' prior written notice to the City Attorney of Knoxville; P.O. Box 1631; Knoxville, Tennessee 37901. Proof of policy provisions regarding notice of cancellation will be required.
- Upon the City's request, provide certified copies of endorsements and policies if requested by the City in lieu of or in addition to certificates of insurance. Copies of policies will only be requested when contracts are deemed to be extremely or uniquely hazardous, include a dollar amount that is significant to the overall budget of the City or a City Department, or the coverage(s) may not follow standard insurance forms. A policy will only be requested after the City's Risk Manager has reviewed the contract and proof of coverage has been provided. Should the certificate of insurance refer to specific coverage wording or endorsements(s), proof of such policy wording or endorsement(s) will be required.
- Replace certificates, policies, and endorsements for any such insurance expiring prior to completion of services.
- Maintain such insurance from the time services commence until services are completed. Failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract.
- If Contractor cannot procure insurance through an insurer having an A.M. Best rating of A-VIII, Contractor may, in the alternative, place such insurance with insurer licensed to do business in Tennessee and having A.M. Best Company ratings of no less than A. Modification of this standard may be considered upon appeal to the City Law Director.
- Require all subcontractors to maintain during the term of the Agreement Commercial General Liability insurance, Business Automobile Liability insurance, and Workers' Compensation/Employer's Liability insurance (unless subcontractor's employees are covered by Contractor's insurance) in the same manner as specified for Contractor. Contractor shall furnish subcontractors' certificates of insurance to the City without expense immediately upon request.
- Large Deductibles; Self-Insured Retentions. Any deductibles and/or self-insured retentions greater than \$50,000 must be disclosed to and approved by the City of Knoxville prior to the commencement of services. Use of large deductibles and/or self-insured retentions may require proof of financial ability as determined by the City.

- Waiver of Subrogation Required. The insurer shall agree to waive all rights of subrogation against the City, its officers, officials, and employees for losses arising from work performed by Contractor for the City. Proof of waiver of subrogation up to and including copies of endorsements and/or policy wording will be required.
- Occurrence Basis Requirement. All general liability policies must be written on an occurrence basis, unless the Risk Manager determines that a claims made basis is reasonable in the specific circumstance. Use of policies written on a claims made basis must be approved by the City. Risk Manager and retroactive dates and/or continuation dates must be provided to the City prior to commencement of any work performed. Professional Liability and Environmental Liability (Pollution Coverage) are most commonly written on a claims made basis and are generally acceptable in that form.

6.9 Ethical Standards. Attention of all firms is directed to the following provisions contained in the Code of the City of Knoxville: Chapter 24, Article II, Section 24-33 entitled “Debts owed by persons receiving payments other than Salary;” Chapter 2, Article VIII, Division 11. the Contractor hereby takes notice of and affirms that it is not in violation of, or has not participated, and will not participate, in the violation of any of the following ethical standards prescribed by the Knoxville City Code:

A. Section 2-1048. Conflict of Interest.

It shall be unlawful for any employee of the city to participate, directly or indirectly, through decision, approval, disapproval, recommendation, preparation of any part of a purchase request, influencing the content of any specification or purchase standard, rendering of advice, investigation, auditing or otherwise, in any proceeding or application, request for ruling or other determination, claim or controversy or other matter pertaining to any contract or subcontract and any solicitation or proposal therefore, where to the employee’s knowledge there is a financial interest possessed by:

- (1) the employee or the employee’s immediate family;
- (2) A business other than a public agency in which the employee or member of the employee’s immediate family serves as an officer, director, trustee, partner or employee; or
- (3) Any person or business with whom the employee or a member of the employee’s immediate family is negotiating or has an arrangement concerning prospective employment.

B. Section 2-1049. Receipt of Benefits from City Contracts by Council Members, Employees and Officers of the City.

It shall be unlawful for any member of council, member of the board of education, officer or employee of the city to have or hold any interest in the profits or emoluments of any contract, job, work or service, either by himself or by another, directly or indirectly. Any such contract for a job, work or service for the city in which any member of council, member of the board of education, officer or employee has or holds any such interest is void.

C. Section 2-1050. Gratuities and Kickbacks Prohibited.

It is unlawful for any person to offer, give or agree to give to any person, while a city employee, or for any person, while a city employee, to solicit, demand, accept or agree to accept from another person, anything of a pecuniary value for or because of:

- (1) An official action taken, or to be taken, or which could be taken;
- (2) A legal duty performed, or to be performed, or which could be performed; or
- (3) A legal duty violated, or to be violated, or which could be violated by such person while a city employee.

Anything of nominal value shall be presumed not to constitute a gratuity under this section.

Kickbacks. It is unlawful for any payment, gratuity, or benefit to be made by or on behalf of a subcontractor or any person associated therewith as an inducement for the award of a subcontract or order.

D. Section 2-1051. Covenant Relating to Contingent Fees.

(a) Representation of Contractor. Every person, before being awarded a contract in excess of ten thousand dollars (\$10,000.00) with the city, shall represent that no other person has been retained to solicit or secure the contract with the city upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for bona fide employees or bona fide established commercial, selling agencies maintained by the person so representing for the purpose of securing business.

(b) Intentional Violation Unlawful. The intentional violation of the representation specified in subsection (a) of this section is unlawful.

E. Section 2-1052. Restrictions on Employment of Present and Former City Employees.

Contemporaneous employment prohibited. It shall be unlawful for any city employee to become or be, while such employee, an employee of any party contracting with the particular department or agency in which the person is employed.

For violations of the ethical standards outlined in the Knoxville City Code, the City has the following remedies:

- (1) Oral or written warnings or reprimands;
- (2) Cancellation of transactions; and
- (3) Suspension or debarment from being a Contractor or subcontractor under city or city-funded contracts.

The value of anything transferred in violation of these ethical standards shall be recoverable by the City from such person. All procedures under this section shall be in accord with due process requirements, included but not limited to a right to notice and hearing prior to imposition of any cancellation, suspension or debarment from being a Contractor or subcontractor under a city contract.

6.10 Firms must comply with the President's Executive Order No. 11246 and 11375 which prohibit discrimination in employment regarding race, color, religion, sex or national origin.

Firms must also comply with Title VI of the Civil Rights Act of 1964, Copeland Anti-Kick Back Act, the Contract Work Hours and Safety Standards Act, Section 402 of the Vietnam Veterans Adjustment Act of 1974, Section 503 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990, all of which are herein incorporated by reference.

6.11 Firms shall give consideration to the inclusion of minority firms or individuals in this project, and shall advise the city in this proposal of their efforts to do so.

6.12 Firms shall give consideration to the use of environmentally sustainable best practices, and shall advise the city in this submittal of qualifications of their efforts to do so.

6.13 Federal, State, and Local Requirements. Each submitting entity is responsible for full compliance with all laws, rules and regulations which may be applicable.

6.14 Licenses. Before a contract is signed by the City, the submitting entity, if selected, **must** provide the City Purchasing Division with a copy of its valid business license **or** with an affidavit explaining why it is exempt from the business licensure requirements of the city or county in which it is headquartered. If a contract is signed, the contractor's business license shall be kept current throughout the duration of the contract, and the contractor shall inform the City of changes in its business name or location. The contractor must be a licensed professional as required by the state of Tennessee, see T.C.A. Sections 62-2-101 et. seq., for any services in this contract requiring such licensure.

6.15 Funding. The City's performance and obligation to pay under this contract is subject to funding contingent upon an annual appropriation.

6.16 Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the substantive laws of the State of Tennessee and its conflict of laws provisions. Venue for any action arising between the City and the Contractor from the Agreement shall lie in Knox County, Tennessee.

6.17 Subcontracts to the Agreement. Contractor shall not enter into a subcontract for any of the services performed under this Agreement without obtaining the prior written approval of the City.

6.18 Amendments. This Agreement may be modified only by a written amendment or addendum that has been executed and approved by the appropriate officials shown on the signature page of the Agreement.

6.19 Captions. The captions appearing in the Agreement are for convenience only and are not a part of the Agreement; they do not in any way limit or amplify the provisions of the Agreement.

6.20 Severability. If any provision of the Agreement is determined to be unenforceable or invalid, such determination shall not affect the validity of the other provisions contained in the Agreement. Failure to enforce any provision of the Agreement does not affect the rights of the parties to enforce such provision in another circumstance, nor does it affect the rights of the

parties to enforce any other provision of this Agreement at any time.

6.21 No Benefit for Third Parties. The services to be performed by the Contractor pursuant to the Agreement with the City are intended solely for the benefit of the City, and no benefit is conferred hereby, nor is any contractual relationship established herewith, upon or with any person or entity not a party to the Agreement. No such person or entity shall be entitled to rely on the Contractor's performance of its services hereunder, and no right to assert a claim against the City or the Contractor, its officers, employees, agents, or contractors shall accrue to the Contractor or to any subcontractors, independently retained professional consultant, supplier, fabricator, manufacturer, lender, tenant, insurer, surety, or any other third party as a result of this Agreement or the performance or non-performance of the Contractor's services hereunder.

6.22 Non-Reliance of Parties. Parties explicitly agree that they have not relied upon any earlier or outside representations other than what has been included in the Agreement. Furthermore, neither party has been induced to enter into this Agreement by anything other than the specific written terms set forth herein.

6.23 Force Majeure. Neither party shall be liable to the other for any delay or failure to perform any of the services or obligations set forth in this Agreement due to causes beyond its reasonable control, and performance times shall be considered extended for a period of time equivalent to the time lost because of such delay plus a reasonable period of time to allow the parties to recommence performance of their respective obligations hereunder. Should a circumstance of force majeure last more than ninety (90) days, either party may by written notice to the other terminate this Agreement. The term "force majeure" as used herein shall mean the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections, riots, landslides, earthquakes, fires, storms, tornadoes, droughts, floods, explosions, breakage or accident to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of either party.

6.24 EEO/AA. The City of Knoxville is an EE/AA/Title VI/Section 504/ADA/ADEA Employer.

6.25 By submitting a proposal, the submitting entity agrees to all terms and conditions established in this RFP, including its contract requirements.

VII. Instructions to Submitting Entities

All submissions of proposals shall comply with the following instructions. These instructions ensure that (1) submissions contain the information and documents required by the City RFP and (2) the submissions have a degree of uniformity to facilitate evaluation.

7.1 General

Submission forms and RFP documentation may be obtained on or after May 22, 2020, at no charge from:

City of Knoxville Purchasing Division
City/County Building
400 Main Street, Room 667
Knoxville, Tennessee 37902

between 8:30 a.m. and 4:30 p.m. (Eastern Time), Monday through Friday or by calling 865/215-2070. Forms and RFP information are also available on the City web site at www.knoxvilletn.gov/purchasing where it can be read or printed using Adobe Acrobat Reader software.

7.2 Submission Information

Option 1 - Electronic Submission Procedures. Electronic submissions shall be submitted online through the City’s Procurement website. **DO NOT EMAIL YOUR SUBMISSION.** All proposers/bidders must register as a vendor in order to submit an electronic file.

Step One: Register as a City of Knoxville vendor

(Vendors are encouraged to complete this step **now** to ensure seamless submission process prior to deadline.)

To register as a vendor:

Visit the website at www.knoxvilletn.gov/purchasing

Click the “Vendor Registration” tab; then “Click here to register as a City of Knoxville Vendor”

Follow the prompts to complete online registration.

Note: You will be asked for a PIN. This PIN will be emailed to you and may have been sent to your spam or junk folder.

DO NOT WAIT UNTIL SUBMISSION DEADLINE TO REGISTER AS A VENDOR. The electronic submission link will be disabled at 11:00:00 a.m. Eastern time. Vendors will not have the ability to submit any electronic files once the deadline has passed.

Step Two:

Submit all materials electronically as one (1) file to City’s Procurement website **PRIOR to 11:00:00 a.m.** (Eastern Time) on **May 19, 2020.** (You may submit the S-3 Form separately in an Excel Format)

To submit electronic file:

Visit the procurement website at www.knoxvilletn.gov/bids

Click “RFP- Mobile/Smartphone Application for 311”

Click “Submit Bid” (red button located at top of screen)

Follow the prompts to upload and submit electronic file.

Submit only one (1) submission file plus the S-3 Form (see notes below if you must submit additional files)

Files **MUST** be named as the firm’s name followed by the title of the project.

Example: ABC Company-FSA-HRA Administration.pdf

Should you need to merge multiple documents into one PDF, please utilize Google to download a free software intended for merging pdf documents

Option 2 - Hard Copy Submission Procedures: Proposals shall include one original hard copy and one electronic copy of the proposal (.pdf format on CD or USB drive only—**mark the storage device with the company name**); the electronic version shall be an exact duplicate of the original, and the electronic version will be the official document exhibited in the contract. **Electronic submissions must be included with the sealed submissions; do not email your submission.**

IMPORTANT NOTE: The original hard copy submitted proposal must bear an original signature, signed in ink (duplicated signatures substituted for original ink signatures may result in rejection of the proposals). This document is the official, original submission; the required copies may have copied signatures. The signature must be entered above the typed or printed name and title of the signer. All proposals must be signed by an officer of the company authorized to bind the firm to a contract.

Proposals will be received until 11:00:00 a.m. (Eastern Time) on May 19, 2020. Each hard copy proposal must be submitted in a sealed envelope addressed to:

City of Knoxville Purchasing Division
City/County Building
400 Main Street, Room 667
Knoxville, TN 37902

IMPORTANT NOTE: Each mailing envelope or carton containing a proposal or multiple copies of the proposal must be sealed and plainly marked on the outside “FSA/HRA Administration” Proposers are reminded that the Purchasing Division receives many bids and proposals for any number of solicitations; **unlabeled submissions are extremely difficult to match to their appropriate solicitations and therefore may be rejected.**

Any proposals received after the time and date on the cover sheet will not be considered. It shall be the sole responsibility of the submitting entity to have the proposal delivered to the City of Knoxville Purchasing Division on or before that date.

Late proposals will not be considered. Proposals that arrive late due to the fault of United States Postal Service, United Parcel Service, DHL, FEDEX, any delivery/courier service, any other carrier of any sort, or technical difficulties are still considered late and shall not be accepted by the City. Such proposals shall remain unopened and will be returned to the submitting entity upon request.

7.3 Format

The City is committed to reducing waste. Submissions of qualifications must be typed on 8.5 x 11 inch wide white paper, printed on both sides. DO NOT BIND the document; instead, staple or binder clip the submission together and place in a sealed envelope (see Paragraph 7.2). Pages must be consecutively numbered. A table of contents must be included in the proposal immediately after the title page, and each of the following numbered sections must be tabbed.

Proposals shall be structured as follows. Numbered items listed below should have a numbered tab page:

1. Title Page
2. Table of Contents
3. Submission Forms:
 - A. Form S-1
 - B. Form S-2 – Questionnaire for FSA and HRA Administration (Included below and posted in Word Format)
 - C. Form S-3 – Cost Proposal (Posted in Excel Format – Fill out both tabs)
 - D. Non-Collusion Affidavit
 - E. No Contact/No Advocacy Affidavit
 - F. Iran Divestment Act Certification of Noninclusion
 - G. Diversity Business Enterprise Program
4. Body of Proposal: Information which submitting entity wishes to include

NOTE: All required submission forms may be found in this solicitation document.

7.4 Evaluation of Proposals

All qualified submissions received by the deadline will be analyzed by the Evaluation Committee according to the criteria outlined in these specifications. Failure to comply with the provisions of the RFP may cause any proposal to be ineligible for evaluation. Each submittal of proposals will be initially analyzed and judged according to the evaluation criteria below. The maximum score is 100 points.

The City reserves full discretion to determine the capability of proposing entities. Proposers, if asked, will provide, in a timely manner, any and all information that the City deems necessary to make such a decision. In addition to materials provided in the written responses to this RFP, the Committee may request additional material, information, references, a site visit, or a live test demonstration from the submitting entity or others.

The Evaluation Committee may or may not decide to interview any or all proposing entities at a time and date determined by the City in order to address questions and more fully ascertain how the solution to this project satisfies the evaluation criteria. Firms and/or teams responding to this Request for Proposals shall be available for interviews with the Evaluation Committee. Discussions may be conducted with responsible submitting entities for purposes of clarification to assure full understanding of and conformance to the RFP requirements. Selection shall be based on the firms' qualifications applicable to the scope and nature of the services to be performed per this request for proposals. Determination of firms' qualifications shall be based on their written responses to this Request for Proposals and information presented to the Evaluation Committee during oral interviews, if any.

In addition to materials provided in the written responses to this Request for Proposals, the Committee may request additional material, information, or references from the submitting entity or others.

Provided it is in the best interest of the City of Knoxville, the firm or team determined to be the most responsive to the City of Knoxville, taking into consideration the evaluation factors set

forth in this Request for Proposals, will be selected to begin contract negotiations. The firm or team selected will be notified at the earliest practical date and invited to submit more comprehensive information if necessary. If no satisfactory agreement can be reached with the “most responsive firm,” the City may elect to negotiate with the next best and most responsive firm or team.

VIII. Evaluation Criteria

An evaluation team, composed of representatives of the City, will evaluate proposals on a variety of quantitative and qualitative criteria. Upon receipt of proposals, the City will review to determine whether the proposal is acceptable or non-acceptable based on the criteria outlined below.

The criteria and the associated weights upon which the evaluation of the proposals will be based include, but are not limited to, the following:

- 1. Administration/Account Service – 25 points**
- 2. Performance/Customer Service - 25 points**
- 3. Systems / Technology - 25 points**
- 4. Experience/References - 10 points**
- 5. Cost - 15 points**

Submission Forms

**CITY OF KNOXVILLE
REQUEST FOR PROPOSALS**

**Flexible Spending Account and Health Reimbursement Account
Administration**

Submission Form S-1

Proposals to be Received by 11:00:00 a.m., Eastern Time;; in Room 667-674, City/County Building; Knoxville, Tennessee.

IMPORTANT: If mailed/hand delivered, proposals shall one original hard copy and one electronic copy of the proposal (.pdf format on CD or USB drive only—**mark the storage device with the company name**); the electronic version shall be an exact duplicate of the original, and the electronic version will be the official document exhibited in the contract. **Electronic submissions must be included with the sealed submissions; do not email your submission.**

Please complete the following:

Legal Name of Proposer: _____

Address: _____

Telephone Number: _____

Fax Number: _____

Contact Person: _____

Email Address: _____

DUNS #: _____

Signature: _____

Name and Title of Signer: _____

Note: Failure to use these response sheets may disqualify your submission.

**Submission Form (S-2)
Questionnaire for FSA and HRA Administration**

Flexible Spending Account and Health Reimbursement Account Administration

Bidders should provide the following information (please complete the following questionnaire using the S-2 word document available on the City's purchasing web site.)

Vendor Information

Legal Name:
Entity Type:
State of Incorporation:
Primary Contact:

Experience/ References (10 points maximum)

- 1) How long has your company been in business? How long have you administered FSAs? HRAs? (Describe your firm's history and experience administering FSAs and HRAs.)
- 2) How many FSA members does your company service? HRA members?
- 3) Provide three (3) current clients of similar size as the City along with a contact name and phone number for each client. Indicate how long you have had each as a client.
- 4) Provide a reference for one client that has terminated coverage in the last year for reasons other than merger or acquisition.
- 5) Please indicate if there are mergers or acquisitions planned for your firm.
- 6) Describe any unique capabilities that distinguish you from other vendors.

Administration / Account Service (20 points maximum)

- 7) Describe any deviations of your proposal from the requirements of this RFP with particular attention paid to the contract requirements in Section 6.6 of this RFP. Failure to list a deviation to any requirement constitutes agreement with that requirement.
- 8) Will the City of Knoxville have a dedicated account representative that we can contact when we have questions or issues?
- 9) Provide the name, location, contact information, and years of experience with your company (and like industries) of those individuals will be working on the City of Knoxville account. (list answers separately). Include information on the experience of these individuals with the management of accounts and knowledge of regulations related to administration of FSAs and

HRAs.

- 10) Will you agree to the inclusion of performance guarantee standards in your administrative services contract? Explain the terms you are willing to offer, how it will be reported, and disclose the fees that will be placed at risk.
- 11) List the communications services included in your proposed cost. (Examples: annual enrollment, new hire orientation, and educational materials). How are these available? For printed materials, is there an additional cost? Please provide samples.
- 12) Will your company maintain and update the summary plan document(s) and provide support for developing/maintaining the plan documents? Is there a cost associated with plan amendments? If so, describe. Will your company send the required documents to participants each year? If so, is there an additional fee for this?
- 13) Please describe your implementation schedule assuming an effective date of January 1, 2021 and an annual enrollment period of November 1-November 30, 2020. Include a time-table and related tasks. Please describe the responsible party for each task.
- 14) Describe the set up process to initiate debit cards. What files are required by the City of Knoxville? In what format(s) will you accept these files? What is the deadline for receipt of the file in order to assure employees have debit cards on January 1, 2021?
- 15) Does your company subcontract any services? If yes, please provide details including the name of the vendor and duration of relationship.
- 16) Propose how you would accommodate 2020 HRA claims submissions upon takeover January 1, 2021. Would you recommend an HRA claims filing deadline be set after which rollover balances are communicated and updated in the employee's 2021 HRA? Explain your recommended process in detail.
- 17) Can you accommodate a medical and Rx carrier file to attempt substantiation for debit card use? If so, provide a listing of the data elements to be included on the file. If a debit card transaction does not match the carrier file, explain how and when substantiation will be requested and explain how the date of service vs. the date of the debit card swipe are reviewed in the process.
- 18) Does your organization have any prefunding requirements?
- 19) Please describe the preferred FSA/ HRA banking relationship. Can the City maintain the account or do you, as the vendor? Are there any banking fees associated with the latter?
- 20) Describe any requirements, stipulations and limitations for coordinating data with insurers.
- 21) Describe any cost, requirements, stipulations and limitations for coordinating data with insurers/administrators.

Performance / Customer Service (25 points maximum)

- 22) Does your company have a toll-free number for employee assistance regarding individual plan accounts? Please provide the toll-free number and the hours of operation?
- 23) Where is your call center located? Do they speak English as their primary language? If no, does the City have the ability to request that the call center be located in the US? If so, what is the cost?
- 24) Please provide all methods that a participant can submit a claim (examples: reimbursing a participant, paying a provider, substantiating a card payment). What is the claims turnaround time for each?
- 25) Is there a minimum amount a reimbursement may be issued for?
- 26) How can a participant be reimbursed? (i.e. check, direct deposit)
- 27) If a participant uses the debit card for an ineligible expense, how can s/he rectify the situation – with an alternate receipt? Can the employee payback the account? Is the payback ability available on the participant website?
- 28) If a participant is overcharged at the provider's office, can the merchant reverse the charges to put funds back on the card?
- 29) When do you require receipts after a debit card is used? Do you accept explanation of benefits (EOBs) as substantial proof? Is there any situation when an EOB would not be sufficient proof?
- 30) Describe the process for requesting proof or substantiation for an expense when a debit card was used. Be sure to include how often claims are reviewed for substantiation, when/how do you alert the participant this is needed, and sample communications/forms.
- 31) Hypothetical Situation: On 6/5/2020, Molly Mayhem has a balance of \$500 in their 2020 FSA and \$1,100 in their HRA. Their account has been suspended due to failure to provide substantiation for transactions incurred in 2019 and paid out of their 2019 FSA. If the participant uploaded a receipt for a date of service 12/5/2019, for which they paid a claim out of pocket, and asked to be paid back or reimbursed for this claim in the amount of \$350, would the participant be reimbursed (either check or direct deposit) for the 12/5/2019 claim? Please explain why or why not.
- 32) Hypothetical Situation: Perry Particular goes to the provider on 2/15/2020 for an expensive procedure that is deemed eligible expense under the City's FSA/HRA plan. However the procedure is expensive so he applies for and is approved to pay for the procedure on a Healthcare and Medical Financing Credit Card, like CareCredit. Can Perry make monthly payments to CareCredit using his FSA/HRA debit card, assuming he had funds available?
- 33) If a participant's account is suspended for an ineligible receipt, and your platform allows for the participant to pay a provider directly, would the claim for paying the provider directly still process, assuming there are enough funds in the account?
- 34) Can an employee be proactive and immediately submit a receipt after their debit card was used?

Or must they wait for the substantiation to be requested?

- 35) How can an employee clear up an item that needs substantiation – list all methods.
- 36) Can an employee cancel an action on the site? If they submit a claim and change their mind later, can it be easily cancelled? (For example if the employee enters the wrong date or the wrong amount on the claim, but realizes after it is submitted – can it be reversed or corrected?)
- 37) When an employee is using their debit card, is the money required to be deducted from their FSA first? And if the employee has both an HRA and FSA, can the employee choose at point of sale which account to pay out of?
- 38) If an employee uses current year FSA dollars to pay for a claim incurred in the prior plan year, how can they correct the error? Does the process change if there is money in their HRA?
- 39) Describe the process for when a debit card and/or an account becomes suspended? How is the participant notified? How long does it take to clear up a suspension after substantiation is provided?
- 40) Describe the appeal/complaint process.
- 41) Describe your ability to limit debit card usage to certain merchant codes and describe your recommended approach to limit claims substantiation and avoid payment errors as much as possible.
- 42) Do you provide any additional notices during the three (3) months after the close of the plan year to employees who may be at risk of forfeiting FSA contributions? If yes, please describe. Is this included in the plan fee? If no, what is the additional cost for these services?
- 43) The City currently allows a rollover provision. When do roll-over funds become available in the participant's account in the next plan year? And how is this addressed on any statements, if applicable.

Systems / Technology (25 points):

- 44) Is an email address required in an employee's profile? Can an employee elect to receive paper communications, even if an email is present? Or is the employee required to opt out of paper?
- 45) Describe your on-line services for employees, to include but not limited to: Please provide a demo or screen shots.
 - a. Employee information and capabilities
 - b. Education on how FSAs and HRAs work, both separate education pieces and how they work in combination.
 - c. Claims submission
 - d. Claims status
 - e. Forms access
 - f. Planning worksheets

- g. Eligible expenses
 - h. Savings calculators
 - i. On-line claims submission
 - j. Reimbursement process
 - k. Option to pay provider directly from account
- 46) What other functions can an employee do from the site that is not already listed here?
- 47) Do you offer a mobile app? If yes, please describe those services. Please provide a demo or screen shots.
- 48) Describe your on-line services for employers, to include but not limited to: Please provide a demo or screen shots.
- a. Employer information and daily/monthly administration capabilities
 - b. Update participant profiles
 - c. Billing
 - d. File uploads monthly and at annual enrollment
 - e. Fund individual participants as needed
 - f. Make corrections to funding
 - g. Claims status
 - h. Employer site access to individual accounts
 - i. Reporting
- 49) Can an employer see the same activity and information as the FSA/HRA Administrator regarding a participant's account?
- 50) What else can the City do on your site that is not already listed here?
- 51) What is the cost for any ad hoc reporting?
- 52) Can Daily Funding reports be pulled only by a single date or by custom date range? Please provide samples.
- 53) Is there a monthly report for Contributions and Payments per plan? Can this be pulled on demand with the ability to pull a custom date range? Please provide samples.
- 54) Include examples of the management reports you would provide to the City. Indicate the frequency with which these reports are provided.
- 55) We describe the process for employees when they retire from the City and continue benefits with the City in the background of this RFP. Can you answer the following:
- a. Is it possible for a participant's HRA and RHRA to be open at the same time and the card remain active?
 - b. Are the two accounts considered separate accounts for claim filing purposes? Example: If the HRA changed to an RHRA and money moved effective 7/1/2015, are any claims

filed required to be after 7/1/2015—after the account was converted to the RHRA and funds moved?

- 56) Please provide file layouts for the following files that the City will upload to your site:
- a. Personal Info/ Account Set up file
 - b. Enrollment file (in FSA or R/HRA)
 - c. Payroll and/or Incentive funding files
- 57) Do you have checks and balances in place? For example:
- a. If we upload a file for incentives but someone doesn't have an HRA account set up, does the whole file reject or just the person? How are we notified of any discrepancy?
 - b. Assume a participant's annual FSA election is not recorded in your system, but an FSA is created due to remaining funds in the participant's prior year FSA. The City uploads the biweekly payroll file for the corresponding pay group. On this file, it is noted that there is an FSA election for the participant and funds are being deducted from their paycheck and shown on the file uploaded. Would there be any error or advisory notice that the participant is showing pre-tax deductions but no annual election?
 - c. How would the City upload FSA contributions for participants that were eligible to elect FSA through COBRA?

NON-COLLUSION AFFIDAVIT

State of _____

County of _____

_____, being first duly sworn, deposes and says that:

- (1) He/She is the _____ of _____, the firm that has submitted the attached Proposal;
- (2) He/She is fully informed respecting the preparation and contents of the attached Proposal and of all pertinent circumstances respecting such Proposal;
- (3) Such Proposal is genuine and is not a collusive or sham Proposal;
- (4) Neither the said firm nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, including this affiant, has in any way colluded, conspired, connived or agreed, directly or indirectly, with any other vendor, firm or person to submit collusive or sham proposal in connection with the contract or agreement for which the attached Proposal has been submitted or to refrain from making a proposal in connection with such contract or agreement, or collusion or communication or conference with any other firm, or, to fix any overhead, profit, or cost element of the proposal price or the proposal price of any other firm, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against the City of Knoxville or any person interested in the proposed contract or agreement; and
- (5) The proposal of service outlined in the Proposal is fair and proper and is not tainted by collusion, conspiracy, connivance, or unlawful agreement on the part of the firm or any of its agents, representatives, owners, employees, or parties including this affiant.

(Signed): _____

Title: _____

Subscribed and sworn to before me this _____ day of _____, 20__.

NOTARY PUBLIC

My Commission expires _____

No Contact/No Advocacy Affidavit

State of _____

County of _____

_____, being first duly sworn, deposes and says that:

(1) He/She is the owner, partner, officer, representative, or agent of _____
_____, the Proposer that has submitted the attached Proposal;

(2) The Proposer _____ swears or affirms that he/she will abide by the following “No Contact” and “No Advocacy” clauses:

a) **NO CONTACT POLICY:** After the posting of this solicitation to the Purchasing Division's website, any contact initiated by any proposer with any City of Knoxville representative concerning this proposal is strictly prohibited, unless such contact is made with the Purchasing Agent (Penny Owens). Any unauthorized contact may cause the disqualification of the proposer from this procurement transaction.

b) **NO ADVOCATING POLICY:** To ensure the integrity of the review and evaluation process, companies and/or individuals submitting proposals for any part of this project, as well as those persons and/or companies representing such proposers, may not lobby or advocate to the City of Knoxville staff including, but not limited to, members of City Council, Office of the Mayor, Employee Benefits and Risk Department or any other City staff.

Any company and/or individual who does not comply with the above stated “No Contact” and “No Advocating” policies may be subject to having their proposal rejected from consideration.

Signed: _____

Title: _____

Subscribed and sworn to before me this _____ day of _____, 2_____.

My commission expires: _____

IRAN DIVESTMENT ACT

Certification of Noninclusion

NOTICE: Pursuant to the Iran Divestment Act, Tenn. Code Ann. § 12-12-106 requires the State of Tennessee Chief Procurement Officer to publish, using creditable information freely available to the public, a list of persons it determines engage in investment activities in Iran, as described in § 12-12-105. Inclusion on this list makes a person ineligible to contract with the state of Tennessee; if a person ceases its engagement in investment activities in Iran, it may be removed from the list. A list of entities ineligible to contract in the State of Tennessee Department of General Services or any political subdivision of the State may be found here:

[https://www.tn.gov/content/dam/tn/generalservices/documents/cpo/cpo-library/public-information-library/List_of_persons_pursuant_to Tenn. Code Ann. 12-12-106 Iran Divestment Act updated 7.7.17.pdf](https://www.tn.gov/content/dam/tn/generalservices/documents/cpo/cpo-library/public-information-library/List_of_persons_pursuant_to_Tenn._Code_Ann._12-12-106_Iran_Divestment_Act_updated_7.7.17.pdf)

By submission of this bid, each bidder and each person signing on behalf of any bidder certifies, and in the case of a joint bid each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each bidder is not on the list created pursuant to T.C.A. § 12-12-106.

Vendor Name (Printed)	Address
By (Authorized Signature)	Date Executed
Printed Name and Title of Person Signing	

NOTARY PUBLIC:

Subscribed and sworn to before me this _____ day of _____, 2_____.

My commission expires: _____

DIVERSITY BUSINESS ENTERPRISE (DBE) PROGRAM

The City of Knoxville strongly encourages prime contractors to employ diverse businesses in the fulfillment of contracts/projects for the City of Knoxville.

The City of Knoxville's Fiscal Year 2018 goal is to conduct 4.82% of its business with minority-owned businesses, 10.73% of its business with woman-owned businesses, and 33.94% with small businesses.

While the City cannot engage (pursuant to state law) in preferential bidding practices, the City does **strongly encourage** prime contractors to seek out and hire diverse businesses in order to help the City meet its goals as stated above. As such, the City encourages prime contractors to seek out and consider competitive sub-bids and quotations from diverse businesses.

For DBE tracking purposes, the City requests that prime contractors who are bidding, proposing, or submitting statements of qualifications record whether or not they plan to employ DBE's as sub-contractors or consultants. With that in mind, please fill out, sign and submit (with your bid/proposal) the following sub-contractor/ consultant statement.

CITY OF KNOXVILLE DIVERSITY BUSINESS DEFINITIONS

Diversity Business Enterprise (DBE's) are minority-owned (MOB), women-owned (WOB), service-disabled veteran-owned (SDVO), and small businesses (SB), who are impeded from normal entry into the economic mainstream because of past practices of discrimination based on race or ethnic background. These persons must own at least 51% of the entity and operate or control the business on a daily basis.

Minority: A person who is a citizen or lawful admitted permanent resident of the United States and who is a member of one (1) of the following groups:

- a. African American, persons having origins in any of the Black racial groups of Africa;
- b. Hispanic American, persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race;
- c. Native American, persons who have origin in any of the original peoples of North America ;
- d. Asian American, person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands.

Minority-owned business (MOB) is a continuing, independent, for profit business that performs a commercially useful function, and is at least fifty-one percent (51%) owned and controlled by one (1) or more minority individuals.

Woman-owned business (WOB) is a continuing, independent, for profit business that performs a commercially useful function, and is at least fifty-one percent (51%) owned and controlled by one (1) or more women.

Service Disabled Veteran-owned business (SDOV) is a continuing, independent, for profit business that performs a commercially useful function, owned by any person who served honorably on active duty in the armed forces of the United States with at least a twenty percent (20%) disability that is service connected. Meaning such disability was incurred or aggravated in the line of duty in the active military, naval or air service, and is at least fifty-one percent (51%) owned and controlled by one (1) or more service disabled veteran.

Small Business (SB) is a continuing, independent, for profit business which performs a commercially useful function and has total gross receipts of not more than ten million dollars (\$10,000,000) average over a three-year period or employs no more than ninety-nine (99) persons on a full-time basis.

Subcontractor/Consultant Statement
(TO BE SUBMITTED IN THE BID/PROPOSAL ENVELOPE)

We _____ do certify that on the
(Bidder/Proposer Company Name)

(Project Name)
\$ _____
(Amount of Bid)

Please select one:

Option A: Intent to subcontract using Diverse Businesses

A Diversity business will be employed as subcontractor(s), vendor(s), supplier(s), or professional service(s). The estimated **dollar value** of the amount that we plan to pay is:

\$ _____.
Estimated Amount of Subcontracted Service

Diversity Business Enterprise Utilization			
Description of Work/Project	Amount	Diverse Classification (MOB, WOB, SB, SDOV)	Name of Diverse Business

Option B: Intent to perform work “without” using Diverse Businesses

We hereby certify that it is our intent to perform 100 % of the work required for the contract, work will be completed without subcontracting, or we plan to subcontract with non-Diverse companies.

DATE: _____ COMPANY NAME: _____

SUBMITTED BY: _____ TITLE: _____
(Authorized Representative)

ADDRESS: _____

CITY/STATE/ZIP CODE: _____

TELEPHONE NO: _____