

Supplement B
Department Of Budget And Management
ACTION AGENDA
July 6, 2016

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1-S. DEPARTMENT OF BUDGET AND MANAGEMENT
Office of Personnel Services and Benefits (OPSB)
Employee Benefits Division (EBD)
Services Contract

Contract ID: Flexible Spending Accounts for Maryland State Employees;
ADPICS # F10B6400004

Contract Description: Provide Third Party Administrative (TPA) Services for Flexible Spending Accounts (FSA) for healthcare and dependent daycare programs for Maryland State employees and COBRA participants. FSA provides employees with pre-tax dollars to cover healthcare expenses not covered by insurance and dependent daycare expenses.

Award: P&A Administrative Services, Inc.
Buffalo, NY

Term: 1/1/2017 – 12/31/2017 (w/4 one-year renewal options)

Amount: \$ 411,179 (1 Year, Base Contract)
\$ 411,179 (1 Year, Renewal Option #1)
\$ 411,179 (1 Year, Renewal Option #2)
\$ 411,179 (1 Year, Renewal Option #3)
\$ 411,179 (1 Year, Renewal Option #4)
\$2,055,895 Total (5 Years)

Procurement Method: Competitive Sealed Proposals

Proposals:

Offerors	Technical Ranking	Financial Offer (Ranking)	Overall Ranking
P&A Administrative Services, Inc. Buffalo, NY	1	\$2,055,895 (1)	1
Chard Snyder Mason, OH	2	\$3,791,610 (3)	2
ConnectYourCare, LLC Hunt Valley, MD	3	\$2,190,708 (2)	3

MBE Participation: 15%

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Incumbent: ConnectYourCare, LLC
Hunt Valley, MD

Requesting Agency Remarks: A notice of the availability of the Request for Proposals (RFP) was advertised on *eMaryland Marketplace*. Copies of the solicitation notice were sent directly to 16 prospective vendors, two of which are Maryland firms and none are MBEs. A copy was also sent to the Governor's Office of Minority Affairs.

A total of four proposals were received in response to the RFP. Three proposals were deemed to be reasonably susceptible of being selected for award. One offeror was deemed not responsible, and its proposal was deemed not to be reasonably susceptible of being selected for award and, therefore, eliminated from further consideration. Award is recommended to P&A Administrative Services, Inc. (P&A Group) as having the most advantageous offer for the State. P&A Group was ranked overall #1 with the highest ranked technical offer and the lowest price. The financial offers were based upon a model for projected usage as stated in the RFP.

This contract provides TPA Services for the State of Maryland's FSA plans – Healthcare and Dependent Daycare for eligible and enrolled participants of the State's FSA. The anticipated duration of services to be provided under this contract includes the implementation period, one Plan Year, four one-year renewal options, and a six month run-out period. The contract will continue to include reimbursement of allowable FSA healthcare expenses via a debit card and the awarded contractor shall provide account management services, HIPAA privacy and security, participant communications, website and online access for participants, and customer service. The debit card reimbursement feature will continue to permit participants in the FSA healthcare account to have certain allowable expenses automatically debited at the point of sale from their account via a debit card.

A 15% MBE participation goal and a 1% VSBE participation goal were established for this contract based upon the limited subcontracting opportunities.

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Fund Source: 100% Reimbursable

Appropriation Codes: Various

Resident Business: No

MD Tax Clearance: 16-2318-0110

BOARD OF PUBLIC WORKS ACTION – THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION