



LARRY HOGAN  
Governor

BOYD K. RUTHERFORD  
Lieutenant Governor

DAVID R. BRINKLEY  
Secretary

MARC L. NICOLE  
Deputy Secretary

**AMENDMENT #3**  
to  
REQUEST FOR PROPOSALS (RFP)

**THIRD PARTY ADMINISTRATOR SERVICES FOR FLEXIBLE  
SPENDING ACCOUNTS—HEALTHCARE AND DEPENDENT DAYCARE  
SOLICITATION NUMBER F10B6400004**

**APRIL 5, 2016**

Ladies and Gentlemen:

This Addendum is being issued to amend and clarify certain information contained in the above named RFP. All information contained herein is binding on all Offerors who respond to this RFP. Specific parts of the RFP have been amended. The changes/additions are listed below. New language has been double underlined and marked in red bold (ex. **new language**), deleted language is marked with a double strikeout (ex. ~~language deleted~~) and revised attachments are identified.

**1. Delete RFP Attachment Q-4, CC-67, to read as follows:**

~~The Contractor agrees to confirm bank transfers as they occur.~~

**2. Revise RFP Section 3.3.3.3(2), to read as follows:**

The Contractor further agrees to notify the Department's Contract Manager within ~~twenty-four (24) hours~~ **two (2) Business Days** of the discovery of the unintended access or attack by providing notice via written or electronic correspondence to the Department's Contract Manager and Procurement Officer.

**3. Revise RFP Section 3.3.3.3(3), to read as follows:**

The Contractor agrees to notify the Department's Contract Manager within ~~two (2)~~ **twenty-four (24)** hours if there is a threat to the Contractor's systems as it pertains to the use, disclosure, and security of the Department's data.

~Effective Resource Management~

45 Calvert Street • Annapolis, MD 21401-1907

Tel: (410) 260-6014 • Fax: (410) 974-3274 • Toll Free: 1 (800) 705-3493 • TTY Users: call via Maryland Relay

<http://www.dbm.maryland.gov>

**4. Revise RFP Section 3.3.3.3(4), to read as follows:**

If an unauthorized use or disclosure of any personally identifiable information (PII), protected health information (PHI) or other private/confidential data (collectively “Sensitive Data”) occurs, the Contractor must provide written notice to the Department’s Contract Manager within ~~one (1)~~ two **(2) Business Days** ~~day~~ after the Contractor's discovery of such use or disclosure and thereafter all information the State requests concerning such unauthorized use or disclosure.

**5. Revise RFP Section 3.3.3.3(5), to read as follows:**

The Contractor, within ~~one day~~ **(2) Business Days** of discovery, shall report to the Department’s Contract Manager any improper or non-authorized use or disclosure of Sensitive Data. The Contractor's report shall identify:

The remainder of this section is unchanged.

**6. Revise RFP Section 3.6.2, to read as follows:**

The Department will pre-fund the Contractor for the payment of debit and paper claims reimbursements. The initial amount of the pre-fund at the start of the Plan Year shall be worked out during implementation based upon ~~actual enrollment~~ **projected claims activity**. Funds transmitted to the Contractor shall be deposited in the Contractor’s identified bank account, for the Contractor to remit payment for debit claims to its debit claims processing subcontractor and for the Contractor to process paper reimbursement requests and remit payment to members. The Contractor shall release reimbursements daily (as claims are fully processed) and not hold reimbursement payments to Participants pending an invoice payment by the State.

**7. Revise RFP Attachment A – Contract, § 19 (Delays and Extensions of Time), to read as follows:**

~~The Contractor shall comply with Md. Code Ann., Election Law Article, Title 14, which requires that every person that enters into a contract for a procurement with the State, a county, or a municipal corporation, or other political subdivision of the State, during a calendar year in which the person receives a contract with a governmental entity in the amount of \$200,000 or more, shall, file with the State Board of Elections statements disclosing: (a) any contributions made during the reporting period to a candidate for elective office in any primary or general election; and (b) the name of each candidate to whom one or more contributions in a cumulative amount of \$500 or more were made during the reporting period. The statement shall be filed with the State Board of Elections: (a) before execution of a contract by the State, a county, a municipal corporation, or other political subdivision of the State, and shall cover the 24 months prior to when a contract was awarded; and (b) if the contribution is made after the execution of a contract, then twice a year, throughout the contract term, on: (i) February 5, to cover the six (6) month period ending January 31; and (ii) August 5, to cover the six (6) month period ending July 31. Additional information is available on the State Board of Elections website: [http://www.elections.state.md.us/campaign\\_finance/index.html](http://www.elections.state.md.us/campaign_finance/index.html).~~

**The Contractor agrees to execute the work continuously and diligently and no charges or claims for damages shall be made by it for any delays, interruptions, interferences, or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract.**

**Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to, acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another Contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.**

8. **Revise RFP Attachment K – HIPAA BUSINESS ASSOCIATE AGREEMENT, § 3.2 (Safeguards of Electronic PHI) to read:**

~~3.2~~ **3.3 Safeguards of Electronic PHI.** Pursuant to its obligations under the Security Rule, the Contractor shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the electronic PHI (i.e., PHI in electronic format or media) that the Contractor creates, receives, maintains, or transmits in performing the Contractor's obligations under the Underlying Agreement.

By: <signed>  
Mike Yeager  
Procurement Officer