

**DEPARTMENT OF BUDGET AND MANAGEMENT
ACTION AGENDA****SERVICES CONTRACT MODIFICATION**

ITEM: 13-S-MOD **Agency Contact:** Anne Timmons
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DEPARTMENT/PROGRAM: Budget and Management (DBM)
Office of Personnel Services and Benefits (OPSB)
Employee Benefits Division (EBD)

CONTRACT ID: F10B9200027;
Flexible Spending Accounts For Maryland State Employees
ADPICS # COE79262

CONTRACT APPROVED: 1/20/2010 DBM BPW Agenda Item 1-S

CONTRACTOR: ConnectYourCare, LLC
Hunt Valley, MD

CONTRACT DESCRIPTION: Provide Third Party Administrative Services for Flexible Spending Accounts (FSA) for health care and dependent day care programs for Maryland State employees, satellite agencies, and COBRA participants. FSAs provide employees with the ability to use pre-tax dollars to cover healthcare expenses paid out of pocket and dependent day care expenses.

MODIFICATION DESCRIPTION: Due to changes in the State's employee benefits plans, all of the State's benefits contracts require modifications (see related DBM contract modification Items 10-S-MOD through 16-S-MOD). This modification: (1) changes the contract's Plan Year from the State fiscal year (FY) to the calendar year (CY) beginning with CY2014; (2) creates a Short Plan Year to cover the period from 7/1/2013 to 12/31/2013 for six months; and (3) extends the term of the contract by six months to coincide with the end of the CY for the last contract Plan Year.

TERM OF ORIGINAL CONTRACT: 1/21/2010 - 6/30/2015
(5 Years; 5 Months; 10 Days)

TERMS OF MODIFICATION: 7/1/2013 – 6/30/2015
7/1/2015 – 12/31/2015

AMOUNT OF ORIGINAL CONTRACT: \$3,091,940

**DEPARTMENT OF BUDGET AND MANAGEMENT
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ITEM: 13-S-MOD (Cont.)

AMOUNT OF OPTION/MODIFICATION: \$292,597

PRIOR OPTIONS/MODIFICATIONS: None

REVISED TOTAL CONTRACT AMOUNT: \$3,384,537

OVERALL PERCENT +/- (THIS MOD): +9.5%

ORIGINAL PROCUREMENT METHOD: Competitive Sealed Proposals

MBE PARTICIPATION: 16.3%

MBE COMPLIANCE: 22.5%

REQUESTING AGENCY REMARKS: Request for approval to modify the contract to (1) change the contract’s Plan Year from the State fiscal year (FY) to the calendar year (CY) beginning with CY2014; (2) create a Short Plan Year to cover the period from 7/1/2013 to 12/31/2013 for six months; and (3) extend the term of the contract by six months to coincide with the end of the CY for the last contract Plan Year.

This change is necessary to accommodate certain federal reporting requirements under both healthcare reform (the Patient Protection and Affordable Care Act) and those of the Centers for Medicare and Medicaid (CMS).

FUND SOURCE: 100% Reimbursable

APPROP. CODE: Various

RESIDENT BUSINESS: Yes

Board of Public Works Action - The above referenced Item was:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION