

**From:** [Texas SmartBuy](#)  
**To:** [Kalenak, Benjamin](#)  
**Subject:** ESDB confirmation receipt for Solicitation Number 720-2203  
**Date:** Wednesday, October 27, 2021 4:45:15 PM

---

**\*\*EXTERNAL MAIL\*\***

This email originated outside of The University of Texas System Administration.  
Please exercise caution when clicking on links or opening attachments.

---

**This notification is confirming that an ESDB Solicitation has been posted.**

**[Solicitation posting](#)**



## REQUEST FOR PROPOSAL

**RFP No. 720-2203**

**Third Party Administrator for the UT FLEX Flexible Spending Accounts for  
Dependent Care Reimbursement and Health Care Reimbursement**

**Proposal Submittal Deadline: Tuesday, November 23, 2021, at 2:30 PM CST**

**The University of Texas System**  
Office of Employee Benefits

Prepared By:  
Ben Kalenak  
The University of Texas System  
210 West 7th Street  
Austin, Texas 78701-2982  
bkalenak@utsystem.edu  
10/27/21

## TABLE OF CONTENTS

<b>SECTION 1: <u>INTRODUCTION</u></b> .....	1
<b>SECTION 2: <u>NOTICE TO PROPOSER</u></b> .....	4
<b>SECTION 3: <u>SUBMISSION OF PROPOSAL</u></b> .....	8
<b>SECTION 4: <u>GENERAL TERMS AND CONDITIONS</u></b> .....	9
<b>SECTION 5: <u>SPECIFICATIONS AND ADDITIONAL QUESTIONS</u></b> .....	10
<b>SECTION 6: <u>PRICING AND DELIVERY SCHEDULE</u></b> .....	35
<b>SECTION 7: <u>INFORMATION SECURITY REQUIREMENTS ATTESTATION</u></b>	

### Attachments:

<b><u>APPENDIX ONE:</u></b>	<b>PROPOSAL REQUIREMENTS</b>
<b><u>APPENDIX TWO:</u></b>	<b>SAMPLE AGREEMENT</b>
<b><u>APPENDIX THREE:</u></b>	<b>ACCESS BY INDIVIDUALS WITH DISABILITIES</b>
<b><u>APPENDIX FOUR:</u></b>	<b>HIGHER EDUCATION VENDOR ASSESSMENT TOOL (HECVAT)</b>
<b><u>APPENDIX FIVE:</u></b>	<b>ADMINISTRATIVE PERFORMANCE REPORT TEMPLATE</b>
<b><u>APPENDIX SIX:</u></b>	<b>ENROLLMENT ASSUMPTIONS</b>
<b><u>APPENDIX SEVEN:</u></b>	<b>UT FLEX BENEFITS</b> <b>(A) – UT FLEX PLAN GUIDE</b> <b>(B) – CAFETERIA PLAN DOCUMENT (CURRENT PROVIDED, PENDING</b> <b>VERSION UPDATES FOR COVID-19 RELATED CHANGES)</b> <b>(C) – CHAPTER 1601 DOCUMENTATION</b>
<b><u>APPENDIX EIGHT:</u></b>	<b>SYSTEM SPECIFIC WEBSITE REQUIREMENTS</b>
<b><u>APPENDIX NINE:</u></b>	<b>CERTIFICATE OF INTERESTED PARTIES (FORM 1295)</b>
<b><u>APPENDIX TEN:</u></b>	<b>INFORMATION SECURITY REQUIREMENTS AND QUESTIONS</b>

## SECTION 1

### INTRODUCTION

#### 1.1 Description of The University of Texas System

For more than 130 years, The University of Texas System has been committed to improving the lives of Texans and people all over the world through education, research and health care.

The University of Texas System is one of the nation's largest systems of higher education, with [13 institutions](#) that educate more than 230,000 students. Each year, UT institutions award more than one-third of all undergraduate degrees in Texas and almost two-thirds of all health professional degrees. With about 20,000 faculty – including Nobel laureates – and more than 80,000 health care professionals, researchers, student advisors and support staff, the UT System is one of the largest employers in the state.

Life-changing research and invention of new technologies at UT institutions places the UT System among the [top 10 “World’s Most Innovative Universities,”](#) according to Reuters. The UT System [ranks eighth in the nation in patent applications](#), and because of the high caliber of scientific research conducted at UT institutions, the UT System is ranked No. 1 in Texas and No. 3 in the nation in federal research expenditures.

In addition, the UT System is home to three of the nation's National Cancer Institute Cancer Centers – UT MD Anderson, UT Southwestern and UT Health Science Center-San Antonio – which must meet rigorous criteria for world-class programs in cancer research. And the UT System is the only System in the country to have four Clinical and Translational Science Awards (CTSA) from the National Institutes of Health.

Transformational initiatives implemented over the past several years have cemented UT as a national leader in higher education, including the expansion of educational opportunities in South Texas with the opening of The University of Texas Rio Grande Valley in 2015. And UT was the only system of higher education in the nation that established not one, but two new medical schools in 2016 at The University of Texas at Austin and UT Rio Grande Valley.

University of Texas institutions are setting the standard for excellence in higher education and will continue to do so thanks to our generous donors and the leadership of the [Chancellor](#), [Board of Regents](#) and [UT presidents](#).

#### 1.2 Background and Special Circumstances

The University of Texas System (“**UT System**”) Office of Employee Benefits (“**OEB**”) is seeking proposals for Third Party Administrator (TPA) services for the UT FLEX Health Care Reimbursement Account (HCRA) and Dependent Care Reimbursement Account (DCRA) Flexible Spending Accounts (FSAs) for eligible employees of the thirteen (13) UT System Institutions and System Administration. Services must be provided in accordance with the terms, conditions, and requirements set forth in this Request for Proposal.

OEB's intention is to generally maintain the plan design and structure of benefits currently being offered under the plan, although adjusting benefits may be discussed during implementation. Enrollment history is provided in **Appendix SIX**, but the total eligible population is 108,000 and so could be potentially higher in future years. The current plan guide is attached in **Appendix SEVEN**.

Proposers will be expected to administer these benefit structures without deviation.

OEB is considered a "Covered Entity" under Title 2 of the Health Insurance Portability and Accountability Act (HIPAA) of 1996, Public Law 104-191, 1996. As such, OEB must comply with all provisions of HIPAA and the Health Information Technology for Economic and Clinical Health Act (HITECH), 45 CFR §§ 160 and 164 (hereinafter collectively, "HIPAA") regarding all privacy and security measures relevant to the operations of the programs within OEB when operating in a capacity subject to HIPAA. Additionally, any person or entity who performs functions or activities on behalf of or provides certain services to a covered entity that involve access to protected health information are considered business associates under HIPAA. OEB requires appropriate Business Associate Agreements with such Proposers.

As a governmental entity, UT System is not subject to the provisions of the Employee Retirement and Income Security Act (ERISA).

Pursuant to Chapter 1601 of the Texas Insurance Code (Code), UT System is exempt from many of the provisions of the Code and regulations promulgated by the Texas Department of Insurance (TDI). However, nothing in any agreement between UT System and Contractor shall be construed to require or permit any action that is prohibited by, or in conflict with, an applicable provision of the Code or an applicable TDI rule or regulation.

### 1.3 Objective of Request for Proposal

The University of Texas System is soliciting proposals in response to this Request for Proposal No. 720-2203 (this "**RFP**"), from qualified vendors to provide Third Party Administrative (TPA) services for UT FLEX Flexible Spending Account (FSA) plans approved by the Texas Department of Insurance services (the "**Services**") more specifically described in **Section 5** of this RFP.

### 1.4 Group Purchase Authority

Texas law authorizes institutions of higher education (defined by [§61.003, Education Code](#)) to use the group purchasing procurement method (ref. §§[51.9335](#), [73.115](#), and [74.008](#), *Education Code*). Additional Texas institutions of higher education may therefore elect to enter into a contract with the successful Proposer under this RFP. In particular, Proposer should note that University is part of The University of Texas System (**UT System**), which is comprised of thirteen institutions described at <http://www.utsystem.edu/institutions>. UT System institutions routinely evaluate whether a contract resulting from a procurement conducted by one of the institutions might be suitable for use by another, and if so, this RFP could give rise to additional purchase volumes. As a result, in submitting its proposal, Proposer should consider proposing a pricing model and other commercial terms that take into account the higher volumes and other expanded opportunities that could result from the eventual inclusion of other

institutions in the purchase contemplated by this RFP. Any purchases made by other institutions based on this RFP will be the sole responsibility of those institutions.

## SECTION 2

### NOTICE TO PROPOSER

#### 2.1 Submittal Deadline

University will accept proposals submitted in response to this RFP until 2:30 p.m., Central Standard Time (“CST”) on **Tuesday, November 23, 2021** (the “**Submittal Deadline**”).

#### 2.2 University Contact Person

Proposers will direct all questions or concerns regarding this RFP via Bonfire portal.

University specifically instructs all interested parties to restrict all contact and questions regarding this RFP to written communications delivered (i) through Bonfire portal, or (ii) if questions relate to Historically Underutilized Businesses, to HUB Coordinator (ref. **Section 2.5** of this RFP).

University must receive all questions or concerns no later than November 5, 2021. University will have a reasonable amount of time to respond to questions or concerns. It is University’s intent to respond to all appropriate questions and concerns; however, University reserves the right to decline to respond to any question or concern.

#### 2.3 Criteria for Selection

The successful Proposer, if any, selected by University through this RFP will be the Proposer that submits a proposal on or before the Submittal Deadline that is the most advantageous to University. The successful Proposer is referred to as “**Contractor**.”

Proposer is encouraged to propose terms and conditions offering the maximum benefit to University in terms of (1) service, (2) total overall cost, and (3) project management expertise.

The evaluation of proposals and the selection of Contractor will be based on the information provided in the proposal. University may consider additional information if University determines the information is relevant.

Criteria to be considered by University in evaluating proposals and selecting Contractor, will be these factors:

##### 2.3.1 Threshold Criteria Not Scored

- A. Ability of University to comply with laws regarding Historically Underutilized Businesses; and
- B. Ability of University to comply with laws regarding purchases from persons with disabilities.

##### 2.3.2 Scored Criteria

- A. Pricing (both administrative fee and card fee) (20%);
- B. Vendor Experience (15%);
- C. Deviations (5%)
- D. Operational Requirements (10%)
- E. Benefit & Administration (20%)
- F. Customer Service & Account Management (20%)
- G. Technical & Data Exchange (5%)
- H. Information Security Requirements – **APPENDIX TEN** (5%)

## 2.4 Key Events Schedule

Issuance of RFP	October 27, 2021
Pre-Proposal Conference (ref. <b>Section 2.6</b> of this RFP)	November 3, 2021
Deadline for Questions / Concerns (ref. <b>Section 2.2</b> of this RFP)	November 5, 2021
Submittal Deadline (ref. <b>Section 2.1</b> of this RFP)	2:30 p.m. CST on Tuesday, November 23, 2021

## 2.5 Historically Underutilized Businesses

- 2.5.1 All agencies of the State of Texas are required to make a good faith effort to assist historically underutilized businesses (each a “**HUB**”) in receiving contract awards. The goal of the HUB program is to promote full and equal business opportunity for all businesses in contracting with state agencies. Pursuant to the HUB program, if under the terms of any agreement or contractual arrangement resulting from this RFP, Contractor subcontracts any of the Services, then Contractor must make a good faith effort to utilize HUBs certified by the Procurement and Support Services Division of the Texas Comptroller of Public Accounts. Proposals that fail to comply with the requirements contained in this **Section 2.5** will constitute a material failure to comply with advertised specifications and will be rejected by University as non-responsive. Additionally, compliance with good faith effort guidelines is a condition precedent to awarding any agreement or contractual arrangement resulting from this RFP. Proposer acknowledges that, if selected by University, its obligation to make a good faith effort to utilize HUBs when subcontracting any of the Services will continue throughout the term of all agreements and contractual arrangements resulting from this RFP. Furthermore, any subcontracting of the Services by Proposer is subject to review by University to ensure compliance with the HUB program.
- 2.5.2 University has reviewed this RFP in accordance with [Title 34, Texas Administrative Code, Section 20.285](#), and has determined that subcontracting opportunities (HUB and/or Non-HUB) are probable under this RFP. The HUB participation goal for this RFP is **26%**.
- 2.5.3 A HUB Subcontracting Plan (“**HSP**”) is required as part of, *but submitted separately from*, Proposer’s proposal. The HSP will be developed and administered in accordance with University’s Policy on Utilization of Historically Underutilized Businesses and incorporated for all purposes.

*Each Proposer, **whether self-performing or planning to subcontract**, must complete and return the HSP in accordance with the terms and conditions of this RFP. Proposers that fail to do so will be considered non-responsive to this RFP in accordance with [§2161.252, Government Code](#).*

*Questions regarding the HSP may be directed to:*

Contact: Kyle Hayes  
HUB Coordinator  
Phone: 512-322-3745  
Email: [khayes@utsystem.edu](mailto:khayes@utsystem.edu)



Contractor will not be permitted to change its HSP after the deadline submittal date unless: (1) Contractor completes a new HSP, setting forth all modifications requested by Contractor, (2) Contractor provides the modified HSP to University, (3) University HUB Program Office approves the modified HSP in writing, and (4) all agreements resulting from this RFP are amended in writing to conform to the modified HSP.

### **Instructions on completing an HSP**

Proposer must visit <https://www.utsystem.edu/offices/historically-underutilized-business/hub-forms/hub-plan-templates-commodities-services-procurement> to download the most appropriate HUB Subcontracting Plan (HSP) / Exhibit H form for use with this Request for Proposal. Proposer will find, on the HUB Forms webpage, a link to “[Guide to Selecting the Appropriate HSP Option](#)”. **Click on this link and read the Guide first before selecting an HSP Option.** Proposer shall select, from the four (4) Options available, the Option that is most applicable to Proposer’s subcontracting intentions. These forms are in **fillable** PDF format and must be downloaded and opened with *Adobe Acrobat / Reader* to utilize the fillable function. If Proposer has any questions regarding which Option to use, Proposer shall contact the HUB Coordinator listed in **Section 2.5.3**.

Proposer must complete the HSP, then print, sign and scan *all pages* of the HSP Option selected, with additional support documentation\*, **and submit via Bonfire portal**. NOTE: during this time, electronic signatures are acceptable.

Any proposal submitted in response to this RFP that does not have a corresponding HSP meeting the above requirements may be rejected by University and returned to Proposer as non-responsive due to material failure to comply with advertised specifications.

Each Proposer’s HSP will be evaluated for completeness and compliance prior to opening the proposal to confirm Proposer compliance with HSP rules and standards. Proposer’s failure to submit one (1) completed and signed HUB Subcontracting Plan **to the Bonfire portal** may result in University’s rejection of the proposal as non-responsive due to material failure to comply with advertised specifications.

**\*If Proposer’s submitted HSP refers to specific page(s) / Sections(s) of Proposer’s proposal that explain how Proposer will perform entire contract with its own equipment, supplies, materials and/or employees, Proposer must submit copies of those pages with the HSP sent to the Bonfire Portal. In addition, all solicitation emails to potential subcontractors must be included as backup documentation to the Proposer’s HSP to demonstrate Good Faith Effort.** Failure to do so will slow the evaluation process and may result in DISQUALIFICATION.

- 2.5.4 University may offer Proposer an opportunity to seek informal review of its draft HSP by University’s HUB Office before the Submittal Deadline. If University extends this offer, details will be provided at the Pre-Proposal Conference (ref. **Section 2.6** of this RFP) or by other means. Informal review is designed to help address questions Proposer may have about how to complete its HSP properly. Concurrence or comment on Proposer’s draft HSP by University will *not* constitute formal approval of the HSP, and will *not* eliminate the need for Proposer to submit its final HSP to University as instructed by **Section 2.5**.

## 2.6 Pre-Proposal Conference

University will hold a virtual pre-proposal conference at **11:00 a.m.**, Central Time on **Wednesday, November 3, 2021**. The pre-proposal conference will allow all Proposers an opportunity to ask University's representatives relevant questions and clarify provisions of this RFP.

Potential respondents must RSVP in Bonfire to receive the pre-proposal conference details via a message within the bonfire portal.

## SECTION 3

### SUBMISSION OF PROPOSAL

#### 3.1 Proposal Validity Period

Each proposal must state that it will remain valid for University's acceptance for a minimum of one hundred and twenty (120) days after the Submittal Deadline, to allow time for evaluation, selection, and any unforeseen delays.

#### 3.2 Terms and Conditions

3.2.1 Proposer must comply with the requirements and specifications contained in this RFP, including the Agreement (ref. **APPENDIX TWO**), the Notice to Proposer (ref. **Section 2** of this RFP), Proposal Requirements (ref. **APPENDIX ONE**) and the Specifications and Additional Questions (ref. **Section 5** of this RFP). If there is a conflict among the provisions in this RFP, the provision requiring Proposer to supply the better quality or greater quantity of services will prevail, or if such conflict does not involve quality or quantity, then interpretation will be in the following order of precedence:

3.2.1.1. Specifications and Additional Questions (ref. **Section 5** of this RFP);

3.2.1.2. Agreement (ref. **Section 4** and **APPENDIX TWO**);

3.2.1.3. Proposal Requirements (ref. **APPENDIX ONE**);

3.2.1.4. Notice to Proposers (ref. **Section 2** of this RFP).

3.2.1.5. Information Security Requirements (ref. **Section 5, APPENDIX FOUR, APPENDIX TEN**)

## SECTION 4

### **GENERAL TERMS AND CONDITIONS**

The terms and conditions contained in the attached Agreement (ref. **APPENDIX TWO**) or, in the sole discretion of University, terms and conditions substantially similar to those contained in the Agreement, will constitute and govern any agreement that results from this RFP. If Proposer takes exception to any terms or conditions set forth in the Agreement, Proposer will submit redlined **APPENDIX TWO** as part of its proposal in accordance with **Section 5.3.1** of this RFP. Proposer's exceptions will be reviewed by University and may result in disqualification of Proposer's proposal as non-responsive to this RFP. If Proposer's exceptions do not result in disqualification of Proposer's proposal, then University may consider Proposer's exceptions when University evaluates the Proposer's proposal.

Additionally, Proposer must submit as part of its Proposal all terms and conditions that it proposes to include in any contract or agreement resulting from this RFP (such as software license terms and conditions) in accordance with **Section 5.3.1** of this RFP. Proposer bears all risk and responsibility for its failure to include such terms and conditions in its Proposal. The University will not be bound by or required to accept or agree to any terms and conditions that a Proposer includes (or fails to include) in its Proposal.

## SECTION 5

### SPECIFICATIONS AND ADDITIONAL QUESTIONS

#### 5.1 General

The minimum requirements and the specifications for the Services, as well as certain requests for information to be provided by Proposer as part of its proposal, are set forth below. As indicated in **Section 2.3** of this RFP, the successful Proposer is referred to as the “**Contractor.**”

**Contract Term:** University intends to enter into an agreement with the Contractor to perform the Services for an initial three (3) year base term, with the option to renew for one (1) additional three (3) year renewal period, upon mutual written agreement of both parties.

**Disclosure of Existing Agreement:** University has an existing contract with a third-party administrator, Maestro Health, for the UT FLEX Flexible Spending Accounts which is scheduled to expire August 31, 2022.

#### 5.2 Minimum Requirements

Each Proposal must include information that clearly indicates that Proposer meets each of the following minimum qualification requirements:

- 5.2.1 Proposer must have a net worth of at least \$10 million, as demonstrated by an audited financial statement as of the close of the Proposer’s most recent fiscal year. To affirm financial capability, the Proposer must submit all documentation as requested in the related interrogatories included in this RFP.
- 5.2.2 Proposers must clearly indicate their capacity to support a population of participants numbering approximately 28,000 individual lives. (ref. **Section 5.5, Question 4**)
- 5.2.3 Proposer must, at a minimum, have the ability to administer Flexible Spending Accounts specified in **APPENDIX SEVEN**.
- 5.2.4 Proposers must be prepared to provide evidence of full compliance with HIPAA, and all federal and Texas state legislation, as well as System policy, applicable to the protection and use of Social Security numbers, including limitations placed on the use of Social Security numbers to access information about participants’ individual HCFSA and DCFSA accounts and plan documents. The Proposer must be able to coordinate with the System to fully comply with all applicable laws and System Policies relating to the security, protection and use of plan participants’ Social Security numbers, financial or banking information, including Payment Card Industry Data Security Standards (PCI-DSS) and Payment Application Data Security Standards (PA-DSS), where applicable. Proposers will be required to show that these standards are fully integrated within their systems at every level. (ref. **Section 5.5, Questions 46 and 47**)
- 5.2.5 Proposers must meet and be prepared to provide evidence of compliance with Information Security Requirements located in **APPENDIX TEN**.
- 5.2.6 Proposer (and any subcontractor of the Proposer) must have at least two (2) years of prior successful experience in debit card administration of HCFSA. (ref. **Section 5.5, Question 38**)

### 5.3 Additional Questions Specific to this RFP

Proposer must submit the following information as part of Proposer's proposal:

- 5.3.1 If Proposer takes exception to any terms or conditions set forth in the Agreement (ref. **APPENDIX TWO**), Proposer must redline **APPENDIX TWO** and include **APPENDIX TWO** as part of its Proposal. If Proposer agrees with terms or conditions set forth in the **APPENDIX TWO**, Proposer will submit a written statement acknowledging it.
- 5.3.2 By signing the Execution of Offer (ref. **Section 2** of **APPENDIX ONE**), Proposer agrees to comply with Certificate of Interested Parties laws (ref. [§2252.908, Government Code](#)) and [1 TAC §§46.1 through 46.5](#)) as implemented by the Texas Ethics Commission ("TEC"), including, among other things, providing TEC and University with information required on the form promulgated by TEC and set forth in **APPENDIX NINE**. *Proposer may learn more about these disclosure requirements, including applicable exceptions and use of the TEC electronic filing system, by reviewing [§2252.908, Government Code](#), and information on the TEC website at <https://www.ethics.state.tx.us/data/forms/1295/1295.pdf>. **The Certificate of Interested Parties must only be submitted by Contractor upon delivery to University of a signed Agreement.***
- 5.3.3 Proposer must provide information to validate a net worth of at least \$10 million (ref. **Section 5.2.1**).
- 5.3.4 Proposer must provide confirmation of ability to administer services specified in **APPENDIX SEVEN** (ref. **Section 5.2.3**)
- 5.3.5 In its proposal, Proposer must meet UT System Information Security Requirements and respond to each question listed in **APPENDIX TEN**, Information Security and **APPENDIX FOUR**, Higher Education Vendor Assessment Tool (HECVAT). Proposer's designated Chief Information Security Officer (CISO) or equivalent must attest that Proposer is able to meet Information Security Requirements and all responses to questions in **APPENDIX TEN** and **APPENDIX FOUR** are valid and accurate.

## 5.4 Scope of Work

UT System offers the Health Care and Dependent Care Flexible Spending Accounts (FSAs) for benefits-eligible employees.

### General Information and Requirements

There are a number of factors that should be taken into consideration when preparing a response to this RFP, including:

- A. All Proposers must submit one proposal to UT System for Third Party Administrator (TPA) services for the Health Care Flexible Spending Account (HCFSA) and Dependent Care Flexible Spending Account (DCFSA). It is the intent of UT System to select one vendor to administer both Flexible Spending Account (FSA) plans.
- B. In general, the UT FLEX plan year begins September 1st of each year and ends the following August 31st. These dates correspond to the fiscal year of UT System and the State of Texas. The UT FLEX plan document allows a participant to submit claims through November 30 after the end of each plan year on August 31. Participants in the HCFSA plan are allowed a grace period of an additional 75 days after August 31 (ending November 15) to expend any remaining HCFSA balance from the previous plan year's HCFSA election. Due to the Consolidated Appropriations Act, (CAA) UT System adopted an extended runout period and grace period to August 31, 2022 for the 2020/2021 plan year for DCFSA and HCFSA. The current vendor will administer the claims filed for the current year (2021/2022) through August 31,2022.
- C. UT System currently provides flexible spending accounts (UT FLEX) to eligible employees as authorized by Chapter 1601.152 of the Texas Insurance Code. This FLEX plan became effective in 1988. The UT FLEX Program has the following parts:
  - a. Insurance Premium Redirection Plan - The UT FLEX Premium Redirection Plan is handled internally through the payroll department at each System component institution. Therefore, the Proposer's proposal and administrative fee should not include administration of the Insurance Premium Redirection Plan. An employee who participates in the Employee Group Insurance Program is enrolled automatically in the Insurance Premium Redirection Plan.
  - b. Health Care Flexible Spending Account (HCFSA) Plan - Eligible active employees may contribute to the Health Care Flexible Spending Account (HCFSA) plan. Retired employees may not participate.
  - c. Day Care Flexible Spending Account (DCFSA) Plan - Eligible employees may contribute to a DCFSA. Retired employees may not participate.
- D. UT System employees have either twelve-month or nine-month appointments. Nine-month appointment employees have the option of receiving their pay throughout a nine-month period or a twelve-month period. The employees who receive their salary payments over the nine-month period will not contribute to their UT FLEX accounts for the three months they do not receive pay. Therefore, Contractor's systems capability to accommodate these differences is critical, particularly in the accounting for accruals and disbursements of each enrolled participant.

- E. An employee who terminates employment from one institution and is hired as a direct transfer in another institution is required to continue the same UT FLEX plan(s) originally enrolled in, for the rest of the plan year. Employees who transfer with a break in service extending beyond the first of the month are permitted to make a new UT FLEX election.
- F. Participants experiencing a COBRA-qualifying event and families of a participant who dies during the plan year may elect to continue an eligible UT FLEX HCRA through the end of the plan year for which the account was originally elected by making after tax monthly contributions to the account. Only UT FLEX HCRAs with a remaining balance at the time of the qualifying event equal to or greater than the total of all required monthly contributions for the rest of the plan year are eligible for continuation. COBRA continuation participants will be eligible to receive reimbursement for claims through the remainder of the plan year, or through the end of the month in which the contribution was made, whichever is earlier. If the participant or family chooses not to contribute after the COBRA-qualifying event, reimbursement will be limited to eligible charges incurred prior to the end of the month of the date of cancellation, and filed by November 30, even if a balance remains in the HCFSA.
- G. A participant whose DCFSA ends (due to termination of employment or cancellation following a qualified life event) or the family of a participant with a remaining DCFSA balance who dies during the plan year may continue to submit claims for eligible expenses incurred during the period of coverage which ends at the end of the month of the date of cancellation or death. Claims must be filed by November 30. A DCFSA is NOT eligible for continuation under COBRA.
- H. Currently, participants in UT FLEX FSA plans are not charged a participation fee because forfeitures have been used to cover the cost of administration. Participants may be assessed one monthly fee through a payroll deduction during the period of coverage. This monthly fee would cover participation in one or both FSA plans and would include a debit card fee intended for use with the HCFSA only. Currently, all participants in UT FLEX HCFSA receive the debit card with no charge. However, the decision may be made to assess a debit card fee in the contract period. The debit card fee will be assessed as a part of the annual fee, prorated for mid-year enrollments. System requests that Contractors submit a rate proposal that accounts for System requiring the debit card for each HCFSA account. The selected Proposer must be capable of accommodating these participant fee assessments, if UT System makes that decision in the future. Additionally, employee participants should be allowed to request debit cards for their dependents.
- I. UT System does not have a single payroll system. There are currently multiple different payroll systems and payroll schedules. Payroll deductions, such as those for a flexible spending account, are taken from an employee paycheck on their assigned payroll schedule. On that same schedule, a file is created with all flex payroll deductions. At this time, the institutions send their deduction dataset to OEB where the dataset is reviewed before being sent to the Contractor. At this time, enrollment data is routinely provided by UT System's contracting partner Benefitfocus. Contractor may need to interface with the institutions, OEB or Benefitfocus regarding eligibility, enrollment or to coordinate the payment of a claim.



Contractor will provide the following services to UT System:

#### 5.4.1 Operational Requirements

##### A. General Administration & Services

Administration of the plan must comply with all applicable state and federal statutes, rules, regulations, and UT System policies including the Privacy and Security requirements of the Health Insurance Portability and Accountability Act (“HIPAA”), the Health Information Technology for Economic and Clinical Health (“HITECH”) Act, the Age Discrimination in Employment Act (“ADEA”), Payment Card Industry Data Security Standards (PCI-DSS) and Payment Application Data Security Standards (PA-DSS), where applicable, and all amendments thereto. Proposers will be required to show that these standards are fully integrated within their systems at every level. Contractor will be expected to provide OEB with a listing of any third parties or sub-contractors which Contractor will be sharing confidential data with pursuant to the administration of this plan and require any third parties or sub-contractors to adhere to any necessary federal and state requirements for the protection and privacy of confidential information.

Contractor must administer the plan in a manner consistent with all applicable laws and regulations, including IRS Code Sections 125, 129 and 152 as modified by IRS Code Section 105(b) as well as with the requirements set forth by UT System in this RFP. Contractor must provide all services associated with the administration of the plan and may recover the cost of compliance with the requirements associated with general administration and services only by making provision for such cost in **Section 6**.

Contractor must provide general administrative support, legal and technical assistance, quality assurance, and certain reporting as required for the operation of the UT FLEX plans.

##### B. Cost Containment

Contractor must have comprehensive cost containment programs in place that includes the following elements at minimum:

- a. Misuse of program, overpayments, wrongful or incorrect payments;
- b. Verification of enrollment;
- c. Written description of its comprehensive Fraud Detection plan with its response; and
- d. Timely investigations of fraudulent or suspicious activity and report quarterly all such information to UT System.

Contractor understands that UT System may develop further policies in connection with the detection and prevention of fraud or abuse in the FSA plans.

##### C. Performance Monitoring

UT System expects Contractor to proactively identify and address variances from targeted performance standards. Quarterly administrative performance reporting will be required. A template for the current format of the quarterly Administrative Performance Report is included as **APPENDIX FIVE**. Required information must be provided on a mutually agreed upon schedule and format or Contractor will be subject

to financial penalty. Additionally, UT System may request customized reports on an ad hoc basis.

As part of the contracting process, specific performance standards with meaningful financial penalties must be established. At a minimum, the following areas must be addressed:

1. Annual Enrollment Materials – Contractor must meet all due date requirements for materials related to Annual Enrollment including:
  - a. Preparation of the UT System-specific website; and
  - b. Distribution of plan materials
2. Administrative Report Timeliness
3. Complaints
4. Call Handling
5. Minimizing call center and website outages
6. Timeliness:
  - a. Annual Enrollment materials;
  - b. Required reporting and datasets including claims, vendor self-bill, eligibility, administrative performance, and emergency update processing.
7. Accuracy:
  - a. Plan design implementation
  - b. Claims adjustment
  - c. Dataset processing including enrollment and contribution files
  - d. Emergency update processing
  - e. Claim processing
8. Debit Card Handling
9. Processing of claims
10. Appeal Handling
11. Reports related to unauthorized use or misuse of data held by Contractor on behalf of UT system and UT FLEX participants.

#### 5.4.2 Claims Processing & Administration

Contractor must process and administer all required UT FLEX plan claims (if applicable to the plan type) incurred on or after September 1, 2022 and throughout the term of the Contract including the run-out period as specified below. General requirements for claims processing include the following:

Using UT System enrollment records, Contractor must create and maintain enrollment records for all participants to be relied on for the processing of claims and other administrative functions for the UT FLEX plans.

Contractor must review claims for eligibility based on covered dates of services. Any ineligible claims that are inadvertently paid by Contractor shall be the sole responsibility of Contractor to recapture.

Contractor must process claims submitted directly by UT FLEX plan participants. Each direct claim payment must include an Explanation of Benefits (“**EOB**”) for all applicable claims. Contractor must submit all claim forms and sample EOBs as an attachment to the Proposal for UT System’s review and approval.

Contractor must accept electronic claims submission via devices including but not limited to personal computers, smart phones, tablets.

In the event Contractor issues excess payments or payments for ineligible claims or participants, it will assume 100% liability for incorrect payments which result from policy or system errors attributable to Contractor in whole or in part.

85% of UT FLEX claims filed by UT participants should be processed within five (5) calendar days of submission to Contractor unless additional information and/or investigation is required. 98% of UT FLEX claims filed by UT participants should be processed within fifteen (15) calendar days of submission to Contractor unless additional information and/or investigation is required.

Within five (5) calendar days after receiving claims from participants, Contractor must communicate with participants regarding the appropriate claim substantiation needed to properly adjudicate claims. If any claim is not properly adjudicated, Contractor will take steps to recoup any funds paid in error.

On a daily basis, Contractor must process all claims received.

Reimbursement claim checks and direct deposit disbursements should be issued within three (3) business days and daily, if possible. Contractor is required to communicate to participants, within three (3) business days, the status of their claim reimbursement requests.

If more information is needed to process a claim, Contractor will notify the participant of within five (5) calendar days after receiving reimbursement request.

For any claim denied for reimbursement, Contractor must notify the participant within five (5) calendar days, and Contractor must provide a valid reason in writing for denying the claim reimbursement.

Contractor must have processes which account for the review of historical claims data in employee records in order to eliminate the need to repeatedly request substantiating documentation for recurring purchases (which do not match pre-programmed deductible and copayment amounts). Contractor should have a process to accept pre-programmed deductibles and co-payment amounts. UT System maintains UT FLEX account balances for each participant and requires the Contractor to resolve any discrepancies of participant account balances upon discovery.

Contractor must maintain a complete and accurate claim reporting system and provide for the retention, maintenance, and storage of all payment records with provision for appropriate reporting to UT System. Contractor must maintain all such records throughout the term of the Contract and for at least three (3) years following the end of the Contract and must make such records accessible and available to UT System for inspection and audit upon UT System’s request. In the event Contractor is scheduled to destroy payment records, Contractor must contact UT System for

approval prior to the destruction of the payment records. If UT System approves destruction, verification of the destroyed records shall be required at UT System's direction.

Contractor must provide UT System with access to statistical information associated with the plans. The information to be made available must include current fiscal year information as well as the full twelve (12) months of the preceding fiscal year. If specialized software or hardware is required to access plan reporting and analytics, Contractor must furnish the appropriate resources at no additional cost to UT System.

The Claims Run-out period is September 1st through November 30th following the end of each plan year. The current vendor will continue to process the DCFSA claims incurred prior to August 31, 2022, and for HCFSA claims through November 15, 2022 (Grace Period) for the Claims Run-Out period that ends November 30, 2022. Administrative fees are not remitted for participants during this Claims Run-Out period.

The Contractor should review all first level appeals and requests until forfeitures are released to System, which currently occurs around January 31. This includes appeals in cases where claims are received before or by the Claims Run-Out end date of November 30, but additional documents requested are not received until after November 30. OEB routinely pays claims on appeal once the FLEX Plan Year is considered closed.

After all qualified claims have been processed, Contractor must report any amount remaining in the participant's UT FLEX reimbursement account(s) at the end of the plan year as forfeited by the participant. All written appeals for payment submitted after the Run-Out Period should be forwarded to the Office of Employee Benefits for review. UT System retains the sole final discretion on adverse appeals. The selected Proposer should be prepared to process any determinations UT System deems reimbursable until forfeitures are released to UT System.

### 5.4.3 Customer Service & Account Management

#### A. Customer Service

Customer service staffing is required at a level adequate to handle significant call volume involving questions specific to benefits, resolution of complaints, requests for program clarification and assistance.

Customer Service call centers must be located within the United States, preferably within the state of Texas. The establishment of toll-free lines (telephone and facsimile) is required, and customer service staffing levels must be adequate, at a minimum, to maintain performance standards as negotiated in the contracting process.

Responses to email complaints should have no more than a 48-hour turnaround time. A tracking system for complaints submitted online similar to the tracking of telephone calls must be in place with the ability to provide data and details to UT System upon request.

Contractor's phone customer service hours must include, at a minimum, Monday through Friday from 7:00 a.m. to 7:00 p.m. Central Standard Time ("CST").

Contractor must provide UT System staff the ability to listen to UT-related calls to and from Contractor's customer service call center(s) on an as-needed basis.

*Note: Proposer must not include a "binding arbitration" requirement for complaints in its response. No such provision shall be utilized with regard to UT System participants.*

By September 1, 2022, Contractor must establish a process by which UT System staff as well as institution HR or Benefits staff who need assistance addressing an urgent participant issue can reach out directly to Contractor for escalated customer service assistance. Such requests must be acknowledged and an expected timeline for resolution provided back to UT System or institution staff within one (1) business day, with timely, appropriate follow-up based on the nature and complexity of the request. UT System has found that Contractor establishing a shared email inbox works most effectively with that inbox being closely monitored by a designated team of experienced customer service representatives who are empowered to address escalated issues. If Contractor wishes, they may propose an alternative solution, but the requirements for acknowledgement of requests for assistance with timelines for resolution must be met as well as consistent timely and appropriate follow-up.

Contractor is required to collaborate with the UT SELECT medical and prescription plan administrators. For example, accepting claim files from the plan administrators for the purpose of auto-adjudication and substantiation of claims. It is also preferred, but not required, for the Contractor to have the ability to warm transfer members directly to these administrators to assist the UT members for a seamless customer service experience.

Contractor's designated Customer Service Team will be required to assist in answering questions regarding the plan each year during UT System Annual Enrollment period(s), including during the July 2022 Annual Enrollment period for the 2022-2023 plan year. The Customer Service Team must provide education to all current and potential plan participants regarding plan design and benefits. Customer service should be made available via phone, email, in writing, and in person.

UT System is committed to the health and wellbeing of our members. UT System takes a holistic approach to wellbeing, incorporating a person's physical and mental wellbeing. In addition to offering an array of services in each of these areas, it is important that UT System provide the right resources at the right time. UT System depends on our partners to help connect our members to other service providers as appropriate.

## B. Account Management

Contractor's Account Management Team must provide a minimum of one (1) review to UT System per year to review utilization and performance of the UT FLEX plan, including updates regarding ongoing operational activities. UT System may also require monthly operational meetings (in person or via telephone conference) and frequent technical meetings with eligibility system vendor, as needed.

The Account Management Team must assist with ad hoc requests from UT System and ensure timely resolution on issues presented by UT System.

Contractor must designate in writing the names and roles of all members of its complete Implementation Team as well as establish an Account Management Team

that is acceptable to UT System (ref. **Section 5.5, Question 66**). Contractor must agree to make staffing adjustments to this team as required by UT System throughout the contract. The Account Management team must be available to assist UT System as necessary during regular business hours CST.

Contractor must identify specific high-level contacts who will be accessible directly to UT System Office of Employee Benefits for issues regarding:

- Claims administration
- Actuarial/financial assistance
- Legal/compliance review
- Technical/data exchange

The designated information technology contact should be appropriately positioned within Contractor's organization to allow for direct management of all technical issues related to the contract.

Contractor is required to notify the Executive Director of the Office of Employee Benefits in writing prior to any anticipated major change to the organization that may likely impact the UT FLEX plan including material changes in policy, business and key personnel on the UT System account management team.

Contractor shall notify UT System of back-up personnel prior to any absences of the account management or technical support team. If the absence is unplanned, notification of the back-up personnel must be made within one (1) business day.

Contractor must provide certain reports as required by UT System, such as:

- a) Annual Forfeiture Reporting by participant;
- b) Reporting of unsubstantiated debit card transactions;
- c) Reports which identify by medical, dental, vision, prescription drug, over-the-counter drugs, and what comprises HCFSA reimbursements;
- d) Reporting of online access by participants;
- e) Reporting of online access by administrative staff (Contractor, OEB or institution; and
- f. Reports related to unauthorized use or misuse of data held by Contractor on behalf of UT system and UT FLEX participants.

Contractor should anticipate staffing approximately twenty-five (25) Annual Enrollment events including in-person and/or virtual presentations for Benefits Staff and participants. With the ongoing COVID-19 pandemic, UT System has not confirmed plans for Annual Enrollment 2022 and are unsure if campuses will host onsite meetings or offer Annual Enrollment virtually. The 2021 Annual Enrollment was held with a mix of virtual and in-person events, but due to travel restrictions neither OEB nor current vendors attended in-person events.

Contractor may be asked to provide training to UT System staff and institution HR and Benefits staff regarding the UT FLEX Plans. Centralized training for institution HR and Benefits staff occurs on an annual basis during the Benefits and Human Resources Conference (BHRC) hosted in Austin by OEB in June of each year. In addition, specific training for institution HR and Benefits staff may be required at other times during the year based on changes to operations and the needs of UT System. Contractor will be required to demonstrate administration of HIPAA and general privacy/security training to its staff on an annual or biannual basis throughout the term of the contract with UT System. Such evidence of completed training shall be provided to the Director of the Office of Employee Benefits.

### C. Communications

Contractor is required to communicate clear and concise information regarding the UT FLEX plan design. Materials and services required to be developed and implemented include, but are not limited to:

1. Participant brochures with introductory information about program and plan design;
2. Content drafted specifically for inclusion in benefits books, newsletters and advertising materials used in association with UT FLEX plan enrollment;
3. A customized UT System-specific UT FLEX website;
4. Annual Enrollment materials that include details on Customer Service, benefit highlights for the upcoming plan year and token giveaways for enrollment fairs and events;
5. Participant forms including EOBs and claim forms.

Contractor will work with OEB staff to create a comprehensive plan description and legally required publications.

UT System retains the right to review and approve all plan materials prior to distribution. Contractor is required to submit proposed marketing and other informational materials in the specified format and according to deadlines set by UT System. The cost for preparation of such materials for the term of the Contract must be accounted for in the administrative fees provided in **Section 6**.

Communications should be made available in multiple formats with a preference for electronic distribution whenever possible. Communication materials must meet Americans with Disabilities Act (“**ADA**”) requirements for accessibility.

Electronic draft copies of proposed or sample Plan Year 2022-2023 materials, plan participants’ handbook (if applicable), and member marketing materials (newsletter articles, flyers, etc.) must be submitted as part of the proposal (ref. **Section 5.5**,

**Question 60).** Proposers should also submit samples of other communication materials with their proposal, including consumer targeted educational materials and a complete mock-up of the customized UT System-specific website. Proposers are encouraged to share innovative materials and communication strategies designed to increase member engagement as well.

Communication materials designed for participants may not advertise or promote coverage, products, or materials, other than those relating to Contractor's administration of the plan. Contractor must never use any information received from any source about UT System employees, retired employees, or dependents for any marketing purpose or to solicit business of any other type.

All educational and enrollment materials for Annual Enrollment and new employees must be distributed to all UT System institution offices no later than June 1 of each plan year.

#### D. UT System Specific Website

Contractor must establish a customized, UT System-specific website with the primary goal of allowing participants easy access to plan information, claims details and customer service information. The website must meet all requirements as detailed in **APPENDIX EIGHT** regarding website requirements by date specified in the deliverables section. UT System must approve the website URL, any redirect links and any privacy statement or policy located on the website.

#### 5.4.4 Technical, Security & Data Exchange

Contractor will be required to collaborate with OEB and with Benefitfocus to accommodate all data feeds. Industry standard processes and file layouts will be used whenever possible, but Contractor must be prepared to quickly allocate appropriate resources and provide timely customization of data files as required by OEB and Benefitfocus. The Proposer must be able to receive and process enrollment data provided in the ASC X12N/005010 834 layout or an approved layout mutually agreed upon.

##### A. UT System Data Security Requirements

For the purpose of this RFP, UT System data is defined as any and all information maintained, created, or received by or on behalf of UT System. All data related to the plan remains the property of UT System. The data must be accessible by UT System at all times and, if necessary, Contractor must be capable of providing the data to UT System in an acceptable, secure, and easily interpretable electronic format. Off-shore cloud storage for claims data is prohibited.

Contractor must maintain a robust security program capable of protecting the integrity, confidentiality, appropriate accessibility, and security of UT System data. UT System Information Security Requirements included in **APPENDIX TEN** must be met. Questions included in **APPENDIX FOUR and APPENDIX TEN** are designed to elicit specific information about Proposer's security program and must be thoroughly and accurately completed.



## B. Data Exchange

Enrollment and contribution files must be processed promptly upon receipt and, under normal circumstances, loaded into Contractor's information system within twenty-four (24) hours. Positive confirmation of receipt and processing success or failure is required within twenty-four (24) hours. In the event of failure to load, Contractor must provide an explanation and pertinent details, including specific errors requiring correction by UT System along with expected resolution time.

Contractor must be prepared to accept full and partial enrollment files on a schedule to be determined during implementation, but no less frequently than three (3) times per week for partial files and once per month for full files.

Contractor must be prepared to accept contribution files on each UT System institution's payroll schedule, to be explained during implementation, but no less frequently than once per month.

Contractor must utilize the methods for all file transfers (e.g., SFTP and TLS) currently in place at UT System. Contractor must enforce user authentications that are compliant with UT System information security requirements and enforce encryption in transmission and at rest as identified in **Section 12.11** of the Sample Agreement (**APPENDIX TWO**).

All information systems requests from UT System and issues reported by UT System must be given priority positioning and thoroughly analyzed to ensure timely and accurate resolution.

Contractor must allow a retroactive window for enrollment changes to be made up to ninety (90) days after the end of the coverage period affected, including activation or termination of coverage and other variations that may occur due to status changes. UT System will retroactively adjust the payment of administrative fees to ensure agreement with updated enrollment information.

For situations in which an urgent change to a participant's enrollment record is needed, Contractor must accept emergency updates, to be transmitted via a controlled and standardized process agreed upon by Contractor and the enrollment vendor. Updates must be processed, Contractor's database updated, and confirmation of the change sent within four (4) business hours of receipt of a valid request.

For service requests and issues resolution, Contractor must provide UT System with an implementation plan and timeline for resolution within forty-eight (48) hours from receipt of UT System's request or notification.

### 5.4.5 Financial Requirements

Upon the loss by a contracting vendor of any licensure or certification required by Texas law to provide a service required under the Contract, or the filing of a petition for bankruptcy, or upon a judgment of bankruptcy or insolvency by or against the contracting vendor, UT System may terminate the Contract for cause without notice. This section survives the termination of the Contract.

#### A. Funding for UT FLEX Disbursements

##### 1. Banking Arrangements

UT System will establish an account in Texas at a financial institution of choice for the purpose of maintaining participant contributions and for the funding of claim disbursements. UT System will fund this account adequately for transactions initiated on its behalf by the Contractor. UT System will be responsible for all banking fees associated with the creation and maintenance of this account. Authorized signature on the account will be restricted to System employees and a facsimile will be provided to Contractor for purposes of issuing printed checks. Reimbursement checks and direct deposits will come from the designated OEB bank account, and the process will be coordinated between the Contractor and OEB.

## 2. UT FLEX Claims Processing

Claim disbursements (including COBRA claims processing) by direct deposit and by check are required of the Contractor. The debit card option for the HCFSA is also required of the Contractor.

## 3. Required Financial Reporting

- a. Claims disbursement reporting can be scheduled monthly or may be requested on an ad hoc basis. These must include the option to separate claim disbursement by check, direct deposit or debit card use.
- b. Monthly COBRA reports to outline who has COBRA, amounts deposited and dates of money received.

## B. Annual Accounting of Participant Activity

Within 60 days of the end of the run-out period for each plan year, Contractor will provide UT System with an accounting by participant showing the annual election, total contributions, total claims disbursed, and a balance. Contractor will be required to assist UT System in the resolution of any discrepancies that may arise in the review of the annual accounting for each plan year.

## C. Audit of Contractor

The UT System reserves the option to conduct an audit of Contractor's administration of the UT FLEX Plan. UT System shall determine the scope of the audit and Contractor must be prepared to support the activities of the selected auditor.

## D. Administrative Fee Remitted by UT System to Contractor

Each month the administrative fee will be determined by multiplying the number of participants by the administrative fee. UT System will remit the administrative fee to the Contractor within sixty (60) days from the beginning of the coverage period. UT System encourages the Contractor to resolve any Administrative Fee discrepancy within 30 days following the receipt of payment.

## E. Contractor's Administrative Fee Proposal

The administrative fee quoted in RFP **Section 6** should be inclusive of all expenses involved in the administration of UT FLEX. The administrative fee quotations should include all vendor expenses and profit margins. It should be adequate to cover all expenses incurred during the period of the contract and during any run-out period following the termination of the contract. No additional fees will be paid to Contractor

after termination of the contract. The following list contains examples of expenses to include in the administrative fee:

1. Assistance with creating communications to System HR/Benefits offices and UT FLEX Participants;
2. Contracting for the issuance and processing of debit card transactions;
3. Assistance writing the Summary Plan Description
4. Travel cost to attend June Benefits Training Workshops, on-site training for component institutions, and Annual Enrollment meetings at component institutions;
5. Claims processing, adjudication, and substantiation;
6. Communication to participants if more information is needed to properly reimburse claims;
7. Recovery of over-payments and other errors;
8. General administration;
9. Legal and other technical assistance;
10. Information technology requirements including any necessary "Web site accessibility remediation";
11. UT System-specific website and online claims;
12. Status for participants; and
13. Reporting.

#### F. Determination of Renewal Administrative Fees

Contractor is required to guarantee its administrative fees for the thirty-six (36) month contract period from September 1, 2022 through August 31, 2025. Contractor will be required to commit to good faith discussions with UT System prior to February 1, 2025 (approximately 210 days before the end of the contract period), to determine rates for the succeeding contract period. If an agreement on rates cannot be reached prior to the 210-day period before the end of a plan year, UT System reserves the right to submit the plan for competitive bidding.

UT System reserves the right to cancel the contract at the end of the 36-month contract period if, in its judgment, the administrative fees proposed by Contractor for the following 36 months are excessive.

#### G. Settlement on Termination of the Contract

Upon termination of the contract when there is a change in Contractor, the outgoing Contractor will facilitate claims run-out for that plan year. The incoming and outgoing Contractors are expected to coordinate processes to make the experience as seamless as possible for participants. OEB will continue to pay claims on exception after the year is closed out.

#### H. Fiduciary Liability

It is the intent of UT System that Contractor assume, pursuant to the Contract, fiduciary duties and liability for all of its actions associated with the performance of its duties under the Contract.

### 5.5 Additional Questions Specific to this RFP

Proposer must submit the following information as part of Proposer's proposal:

## **Vendor Experience (15%)**

1. List as references three major employers for whom you provide FSA Third-Party Administration services for their employees. UT System is particularly interested in employers located in Texas and in public entities but is also interested in seeing references outside of Texas as well.

Provide the following information for each employer:

- A. Employer name and address;
- B. Contact name with email address and phone number;
- C. Nature of relationship with the employer (i.e., insurer, administrator, reinsurer);
- D. Time period in which work was performed;
- E. Short description of work performed;
- F. The number of employees for whom FSA services are provided.

Note: Your response to this request officially authorizes UT System to contact these employers to discuss the services that you have provided for their employees and authorizes the employers to provide such information to UT System.

2. Has Proposer worked with UT System institutions in the past five (5) years? If "yes," state institution name, department name, department contact, and provide a brief description of work performed.
3. Provide Proposer's total commercial enrollment as of October 1, 2020 and October 1, 2021. Provide a statement of Proposer's capacity to enroll new participants and the likelihood of any future limitations on enrollment.
4. Explain Proposer's previous experience in providing fully funded FSA plans to groups of 28,000 or more, especially higher education institutions and governmental organizations.
5. Describe any litigation, regulatory proceedings, and / or investigations completed, pending or threatened against Proposer and / or any of its related affiliates, officers, directors, and any person or subcontractor performing any part of the services being requested in connection with the Contract during the past five (5) years. Identify the full style of each suit, proceeding or investigation, including county and state, regulatory body and/or federal district, and provide a brief summary of the matters in dispute, current status and resolution, if any.
6. Describe any investigations, proceedings, or disciplinary actions by any state regulatory agency against the Proposer and / or any of its related affiliates, officers, directors and any person or subcontractor performing any part of the services being requested in connection with Contract during the past five (5) years. Identify the full style of each suit, proceeding or investigation including county and state, regulatory body and/or federal district, and provide a brief summary of the matters in dispute, current status and resolution, if any.
7. Provide a detailed description of the Proposer's HIPAA Privacy Awareness and Data Compliance programs as these would apply to UT System data. Include information related to any policies and practices developed to address the storage, handling, sharing, and creation of any confidential information.
  - A. Describe Proposer's HIPAA workforce training, new employee onboarding, and monitoring of compliance with HIPAA training.

- B. Provide a word document or link to Proposer's HIPAA policies and Notice of Privacy Practices, including any website or web portal privacy notices.
- C. Provide the number of investigations, inquiries, or responses provided to or requested by the Office for Civil Rights (OCR) U.S. Department of Health and Human Services related to HIPAA breaches within the last 2 years. No specific detail required.
- D. Provide the name of Proposer's HIPAA privacy officer and a description of his or her qualifications.

**Deviations (5%)**

- 8. Identify any provision in Proposer's response that does not conform to the standards described in the RFP. For each deviation, provide the specific location in the response and a detailed explanation as to how the provision differs from RFP standards and why.

**Operational Requirements (10%)**

*General Administration & Services*

- 9. Describe Proposer's model for performing general administrative and operational services.
- 10. Identify any outsourcing of services, location of administrative services, staff turnover rate over the past two (2) years, and contingency plans for service interruptions.
- 11. Describe Proposer's processes for monitoring the adequacy of customer service, claims service, and provider and participant satisfaction. How often are surveys specific to these functions conducted?
- 12. List any entities with whom Proposer anticipates sharing or disclosing any PHI that Proposer will create or receive from (or on behalf of) UT System. State the general purpose for which the PHI will be shared or disclosed and confirm how each entity complies with requirements for business associates under HIPAA with regard to this PHI.
- 13. Describe the procedures and methodology in place to detect information security breaches leading to privacy incidents and notify UT System and affected individuals in a manner that meets the requirements of HIPAA breach notification requirements.
- 14. Will Proposer attest to compliance with UT System Information Security Requirements listed in **APPENDIX TEN**?

*Cost Containment*

- 16. Fully describe Proposer's cost-containment programs, including the specific areas listed in **Section 5.4.1, B** as well as any specialized or enhanced elements Proposer offers.
- 17. Describe Proposer's fraud prevention program in detail. Include how Proposer would communicate with the participant, provider or merchant, and UT System once a fraud or abuse issue has been identified.
- 18. Discuss Proposer's policies and procedures for addressing situations in which FSA benefits have been utilized after a participant's benefits have ended (e.g., due to a delay with updating participant data or similar issue).

## *Performance Monitoring*

19. Describe in detail Proposer's philosophy and priorities in establishing performance standards and associated penalties. Be sure to address the key required areas noted in in **Section 5.4.1, C** and discuss any other areas the Proposer believes are appropriate for monitoring as a reflection of successful overall performance.
20. Describe Proposer's current reporting capability. Provide samples of utilization and administrative performance reports currently available to contracting plans. How often are reports prepared? Describe the method that Proposer would use to determine the cost of any special reports that might be requested by UT System. Describe any unique reporting capabilities that distinguish Proposer from other potential respondents.
21. Describe performance monitoring for HIPAA violations including addressing violations of HIPAA compliance measures, Proposer's policies for confidential data handling, and discipline of employees for violations of such policies.

## **Benefit & Administration (20%)**

22. State the length of time Proposer been providing Third Party Administration services for Flexible Spending Accounts and explain your experience in doing so for large groups of 28,000 or more participants.
23. What size are the top three largest groups Proposer has provided Third Party Administration services of Flexible Spending Accounts for?
24. Describe Proposer's ability to facilitate COBRA administration in-house.
26. Describe any plan limitations or exclusion clauses included in your organization's proposal.
27. Describe the services you will generally provide in compliance with this RFP, as well as the specific services you will render in connection with the installation of the plan, education of benefit staffs, printing of booklets, forms, etc.
28. Describe Proposer's process for handling accounts during a participant's leave of absence.
29. Provide an explanation of Proposer's participant appeal process where the final determination rests with the plan sponsor.
30. Describe Proposer's processes for ensuring compliance with current and future requirements of the Internal Revenue Code and legislation affecting FSA plans and your method of notifying plan sponsor of important related updates.
31. How does Proposer cancel the debit card when a participant terminates employment?
32. Does Proposer or subcontractor require the plan sponsor to maintain a minimum cash balance in the Controlled Disbursement Account to facilitate the authorization of debit card transactions at the point of sale? If so, how is the minimum balance determined?
33. Describe Proposer's billing processes. Include information regarding grace periods, reconciliation, and client self-billing, and confirm acceptance of UT System's required electronic billing capability and 60-day grace period from receipt of the invoice.

34. Does Proposer perform non-discrimination testing for clients? If so, at what frequency and at what cost?
35. Does Proposer prepare annual Form 5500 returns for the Section 125 plan/FSAs as a standard service? Note that, for UT System, separate returns are needed for each institution. Is there an additional charge for this service, or is preparation of returns included in proposed fees? Describe the background and training (e.g., CPA) of the individual(s) who prepare Form 5500 for clients.

### *Claims Administration*

36. What is the address of the claims office where the HCFSA and DCFSA reimbursements are processed and serviced?
37. Confirm that UT System will have a specific high-level contact for issues regarding UT FLEX plan claims administration. Provide contact's name, experience, and where this contact will be located.
38. The debit card feature is offered only for the HCFSA plan. Currently, 100% of those enrolled in a HCFSA receive the debit card. The Proposer (and any subcontractor of the Proposer) must have at least two (2) years of prior successful experience in debit card administration of HCFSA's. Describe the Proposer's history in administration of a debit card for FSA plans.
39. Provide a detailed description of Proposer's procedures for processing claims without the debit card. Include:
  - A. Processes for each type of submission (paper, fax, online, mobile app);
  - B. Process for mailing checks;
  - C. Process for direct deposit (including time frame for notifying participant of deposit);
  - D. Documentation required for claim submission;
  - E. How frequently Proposer would process UT FLEX claims;
  - F. How frequently reimbursements are sent via check and direct deposit;
  - G. How and when participants are notified of a denial; and
  - H. Any specific processes for orthodontic claims, OTC items, claims with a coordination of benefits, claims requiring a letter of medical necessity, and maintenance of requested/required documents for each participant.
40. Describe Proposer's auto-adjudication capabilities and processes.
41. For the claims office that would be processing claims for UT System participants, provide the organization's average time to approve and pay claims.
42. For the claims office that would be processing claims for UT System participants, provide the organization's average time to deny claims and notify the participant.
43. What is your records maintenance schedule for records specific to the UT FLEX plans?
44. Provide a description of Proposer's debit card processing including:
  - A. Adjudication of claims;
  - B. Information needed on receipts for substantiation;
  - C. Documentation required for substantiation;
  - D. Methods and time frames for obtaining substantiation;
  - E. Auditing of claim reimbursements;
  - F. Recoupment of claims paid in error;

- G. Use of merchant category codes;
- H. Point of sale unavailability of funds to cover entire expense;
- I. Expenses that correspond to health plan copayments;
- J. Recurring expenses; and
- K. Over-the-counter (OTC) charges.

45. If Proposer contracts with a management or service company for some or all debit card administrative services, specify the name of the company, Proposer's historical experience with this company, services provided and the method of reimbursement.
46. Is the Payment Processor PCI-DSS Compliant?
47. When was the Payment Processor's last PCI-DSS Assessment? Was a Qualified Security Assessor used? If yes, please provide an attestation of PCI-DSS compliance issued by the Assessor.
48. Describe the nature and extent of claims processing quality assurance review procedures, including review work performed to ensure that data is accurate and complete. Is the quality review conducted on a prospective or retrospective basis? What is the frequency of such reviews?
49. Will Proposer have a dedicated team to process claims for UT System UT FLEX participants? Indicate how many employees will be dedicated to this team.
50. Describe the Proposer's current ability, if any, to receive data from a Pharmacy Benefit Manager and a description of the methods for claims reimbursement using this data as well as the Proposer's willingness, if necessary, to sign a confidentiality agreement with the Pharmacy Benefit Manager.
51. Describe the ability to auto adjudicate HCFSA expenses with the availability of UT System's medical and dental vendor files confirming deductible, copayment and coinsurance information.
52. Describe how claims are processed during the Grace Period (September 1 – November 15) when participants potentially have two plan year accounts to use at the same time.

## **Customer Service & Account Management (20%)**

### *Customer Service*

53. Describe Proposer's overall customer service program, including but not limited to:
- A. Days / hours of operation and location of call center(s) that will provide service to UT participants as well as after-hour calls handling and the number of telephone lines and support staff dedicated to customer service claims processing;
  - B. How after-hours calls are handled;
  - C. Ability to provide a separate toll-free phone number for UT System participants;
  - D. Ability to provide a toll-free fax number for participant claim submission;
  - E. Accessibility and support for hearing impaired, Spanish-speakers, support for other languages;
  - F. Handling of written inquiries, response method, standard response time;
  - G. Any options other than telephone to access customer service and hours supported;
  - H. Any of Proposer's customer service features unique to the industry; and
  - I. Any major changes currently planned or anticipated for the customer service organization or facilities (e.g., moving to a different location, reorganizing, or merging units).



54. Describe staffing and training for Proposer's designated Customer Service program, including but not limited to:
- A. How the designated customer service team will be staffed;
  - B. Turnover rate for Proposer's non-management call center staff;
  - C. Training customer service employees receive, including the length of time it takes to advance from training to qualified Customer Service Representative ("CSR"); and
  - D. How Proposer ensures that its CSRs are providing timely and accurate information on an ongoing basis.
55. Describe how Proposer handles quality assurance for its Customer Service program, including but not limited to:
- A. Monitoring of first-call resolution rates;
  - B. Process and policies for handling escalated, unresolved member inquiries;
  - C. Handling and escalation of customer service complaints including the complaint tracking system used and how long it has been in place;
  - D. Monitoring the adequacy of customer service and claims service including any surveys conducted in relation to these functions;
  - E. Ability to track and monitor customer service metrics for UT System account; and
  - F. Recording of phone calls, including percentage of calls recorded and criteria for recording, UT System access to listen to recordings as applicable, and how notification is made to all parties that conversations are being electronically recorded and stored.
56. Describe Proposer's data and information systems used for customer service, including but not limited to:
- A. Customer service inquiry system and ability for CSRs to enter details, review previous notes, and view historical claims when assisting members;
  - B. Ability of participants to view their claims information online via Proposer's UT System-specific website and all mobile apps;
  - C. Any efficiencies or enhanced offerings in this area when working with an affiliated benefit plan;
  - D. OEB staff member access to claims information for UT System participants so that specific claims can be reviewed and / or specific reporting requested;
  - E. Proposer's recommended process for ensuring UT System and institution HR and Benefits staff can request and receive assistance with escalated issues (e.g., a shared email inbox monitored by a small, designated high-level customer service team); and
  - F. Any changes that are planned or scheduled within the next thirty-six (36) months for Proposer's computer systems, including Customer Support changes, and timelines for when any planned changes will be implemented to the existing computer system.
57. Can a claims processor or customer service representative view historical claims information online? Can a participant view their claims online? Can OEB have access to an online claims information system in the event OEB needs to review claims or request reports?

### *Communications*

58. Explain in detail the services that will be available at no additional cost to UT System, including communications materials and participation of Proposer's personnel at employee meetings during annual enrollment periods.

59. Describe Proposer's availability to provide personnel for meetings held outside of regular business hours in order to accommodate UT System institutions that have 24-hour facilities.
60. Confirm that Proposer will provide UT System with a preview of all communications designed to notify participants of features or issues regarding the UT FLEX plans prior to disseminating any communications directly to participants, including but not limited to:
  - A. Electronic draft copies of proposed Plan Year 2022-2023 materials, plan participants' handbook (if applicable), and member marketing materials (newsletter articles, flyers, etc.)
  - B. Electronic samples of other communication materials with their proposal, including consumer targeted educational materials and a complete mock-up of the customized UT System-specific website.
  - C. Other innovative materials and communication strategies designed to increase member engagement as well.
61. Explain Proposer's capability to provide client access for authorized UT benefits representatives to view account balance and claim details. If possible, provide a test login ID and website address for viewing examples of online capabilities.
62. Describe Proposer's ability to conform to the Web Accessibility Initiative at [www.w3.org/WAI](http://www.w3.org/WAI) to ensure that website content can be read by the majority of viewers, and to meet the requirements of the Americans with Disabilities Act.
63. Provide a sample of Proposer's claim forms. Also, provide sample copies of any additional forms that a UT System enrollee must complete.
64. Provide a sample employee statement and describe the methods and frequency of distribution of statements to participants.
65. Can the Proposer customize the appearance of the debit card? If so, how? Please provide a sample.

#### *Account Management*

66. Briefly outline Proposer's account management philosophy and structure. Include information about how the team members are compensated by Proposer and address the following items:
  - A. Location of the primary person responsible for Account Management associated with this contract;
  - B. Notification procedures and timelines for any change in the dedicated Account Management Team, including efforts Proposer typically makes to discourage turnover of Account Management Team personnel responsible for oversight of major group accounts;
  - C. The overall organization, location, and structure of the Account Management team that would provide ongoing program support for UT System under this contract, including a résumé for each team member listing current professional responsibilities and length of employment with Proposer;
  - D. The number of other organizations the assigned Account Manager is currently servicing and the number of total participants represented by those organizations;
  - E. Proposer's turnover rate over the past twelve (12) months for account manager / executive positions;
  - F. Access to compliance experts via the Account Management team, as required by UT System.

67. Provide a list of individuals who will comprise Proposer's implementation team along with a résumé and complete contact information for each team member. Identify the individuals who will be primarily responsible for handling details related to each of the following categories:
- A. Information systems and technology, including specifically benefits programming, claims processing, and eligibility data processing;
  - B. Customer service;
  - C. Claims processing;
  - D. Compliance;
  - E. Communication materials;
  - F. Appeals processing;
  - G. Information security;
  - H. Financial functions, including payments and reconciliation.

### **Technical & Data Exchange (5%)**

68. Confirm that Proposer is prepared to accept full and partial enrollment files on a schedule to be determined during implementation, but no less frequently than three (3) times per week for partial files and once per month for full files.
69. Describe the data handling and processing involved upon receipt of payroll contribution datasets from OEB, including but not limited to:
- A. The processes in place to receive, audit, and load datasets along with the associated notifications to UT System; and
  - B. The ability to generate detailed error reports during the load process indicating which records have been accepted and which have been rejected along with reasons for any rejections.
70. Confirm that Proposer will comply with the requirement to provide to UT System a monthly dataset that includes details as specified in **Section 5.4.1, I** in this RFP.
71. Describe the data handling and processing involved upon receipt of enrollment datasets from UT System's contracting partner Benefitfocus, including but not limited to:
- A. The processes in place to receive, audit, and load datasets along with the associated notifications to UT System; and
  - B. The ability to generate detailed error reports during the load process indicating which records have been accepted and which have been rejected along with reasons for any rejections.
72. Describe Proposer's process for implementing the initial plan design as well as the process by which Proposer would implement any subsequent changes to the benefit plan design. Discuss how much advance notice is required for a benefit design change to be made in Proposer's information system; routine testing procedures; and the integration of quality assurance processes.
73. Explain Proposer's ability to comply with the required technical specifications for the UT System-specific website as specified in **APPENDIX EIGHT** to this RFP.
74. Explain Proposer's ability to comply with the Electronic and Information Resources (EIR) Accessibility Checklist, included in **APPENDIX THREE** to this RFP, and that this checklist has been completed and included with this response.

## SECTION 6

### PRICING AND DELIVERY SCHEDULE

Proposal of: \_\_\_\_\_  
(Proposer Company Name)

To: The University of Texas System

RFP No.: 720-2203

Ladies and Gentlemen:

Having carefully examined all the specifications and requirements of this RFP and any attachments thereto, the undersigned proposes to furnish the required pursuant to the above-referenced Request for Proposal upon the terms quoted (firm fixed price) below. The University will not accept proposals which include assumptions or exceptions to the work identified in this RFP.

#### 6.1 Pricing for Services Offered (20%)

##### ENROLLMENT

The enrollment assumptions shown in **APPENDIX SIX** of this RFP will be utilized by UT System in comparing and analyzing the proposed administrative fee. While these enrollment assumptions are UT System's best estimate of Plan Year 2022-2023 enrollment and will be utilized to facilitate proposal analysis, Contractor must recognize that a variety of factors will influence actual enrollment.

**Important:** UT System will not guarantee a minimum participation for the UT FLEX plans. Therefore, Contractor cannot require a minimum enrollment for UT FLEX plans at the proposed rates during the initial enrollment period in July 2022 or at any subsequent time during the period of this Contract.

##### TAXES

In accordance with the Texas Insurance Code, no premium, maintenance or administrative services taxes will be levied on Contractor selected to underwrite and administer the coverages described herein. Therefore, the proposed premium rates should not include provision for premium and maintenance taxes or fees.

##### ADMINISTRATIVE FEE RATE GUARANTEES AND ADJUSTMENTS

In quoting administrative fees for the UT FLEX plans, it is required that the proposed fees contained in Contractor's response be guaranteed for a three-year period commencing on September 1, 2022 through August 31, 2025. Contractor may also guarantee the proposed rates for a period longer than the initial three-year period and/or propose a maximum increase in rates for the second three-year period beginning September 1, 2025.

Initial here to certify: \_\_\_\_\_

##### LEGISLATIVE OR REGULATORY MANDATES

If, subsequent to the submission of a response prepared in accordance with these specifications, federal or state legislation or regulations are enacted or interpreted in a manner which materially impacts the coverages which are the subject of this RFP, UT System shall enter into good faith negotiations with Contractor selected to administer the program to arrive at mutually agreeable adjustments to the

administrative rates submitted in response to these specifications so as to appropriately reflect the anticipated impact of such legislation.

## **ADMINISTRATIVE FEE PROPOSAL**

Contractor must complete and sign the following Administrative Fee Proposal Response form. The administrative fee proposed should reflect the benefit plan design submitted. The administrative fee proposal should include administration of both FSA accounts: Health Care and Dependent Care. Part I. should include all required services with the exception of the debit card feature. Part II is the proposed administrative fee for the debit card feature.

### **ADMINISTRATIVE FEE PROPOSAL RESPONSE**

The administrative fees should not include any taxes.

#### **I. Administrative Fee (Not including Debit Card Feature)**

Enter the administrative fee proposed as a dollar amount per employee participant per month.

\$ \_\_\_\_\_ Per Employee Per Month

The UT FLEX administrative fee above is guaranteed for \_\_\_\_\_ Fiscal Years.  
List and explain any rate guarantees for future periods:

List and explain any other types of fees:

#### **II. Debit Card Fee**

UT System requires a debit card for all UT FLEX HCFA employee participants. This fee would be assessed as a one-time flat fee the first month of employee participation. Please quote the fee for the debit card as a one-time flat fee.

Per Employee Participant Per Plan Year Fee \$ \_\_\_\_\_

The debit card fee above is guaranteed for \_\_\_\_\_ Fiscal Years.

List and explain any other types of fees:

List and explain any rate guarantees for future periods:

## **6.2 Discounts**

Describe all discounts that may be available to University, including, educational, federal, state and local discounts.

## **6.3 Delivery Schedule of Events and Time Periods**

Indicate number of calendar days needed to commence the Services from the execution of the services agreement:

\_\_\_\_\_ Calendar Days

**6.4 Payment Terms**

University’s standard payment terms are “net 30 days” as mandated by the *Texas Prompt Payment Act* (ref. [Chapter 2251, Government Code](#)).

Indicate below the prompt payment discount that Proposer offers:

Prompt Payment Discount: \_\_\_\_\_% \_\_\_\_\_ days / net 30 days.

[Section 51.012, Education Code](#), authorizes University to make payments through electronic funds transfer methods. Proposer agrees to accept payments from University through those methods, including the automated clearing house system (“ACH”). Proposer agrees to provide Proposer’s banking information to University in writing on Proposer letterhead signed by an authorized representative of Proposer. Prior to the first payment, University will confirm Proposer’s banking information. Changes to Proposer’s bank information must be communicated to University in writing at least thirty (30) days before the effective date of the change and must include an [IRS Form W-9](#) signed by an authorized representative of Proposer.

University, an agency of the State of Texas, is exempt from Texas Sales & Use Tax on goods and services in accordance with [§151.309, Tax Code](#), and [Title 34 TAC §3.322](#). Pursuant to [34 TAC §3.322\(c\)\(4\)](#), University is not required to provide a tax exemption certificate to establish its tax exempt status.

Respectfully submitted,

**Proposer:** \_\_\_\_\_

**By:** \_\_\_\_\_  
(Authorized Signature for Proposer)

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**SECTION 7**

**INFORMATION SECURITY REQUIREMENTS ATTESTATION**

**Proposal of:** \_\_\_\_\_  
(Proposer Company Name)

**To:** The University of Texas System

**RFP No.:** 720-2203

This completed document, signed by Proposer’s designated Chief Information Security Officer (CISO) or equivalent is attestation that Proposer will be able to meet UT System Information Security Requirements in **APPENDIX TEN** and that the answers to questions in **APPENDIX TEN** and **APPENDIX FOUR** are valid and accurate.

**By my signature below, I hereby certify that:**

- I have the necessary authority to execute this agreement between my Agency and UT System.
- I have read, understand and confirm that Proposer is able to comply with all of the terms and conditions of UT System Information Security Requirements in **APPENDIX TEN**.
- I confirm that Proposer responses to questions in **APPENDIX TEN** and **APPENDIX FOUR** are valid and accurate.
- Post award, I agree that Proposer will comply with UT System Information Security Requirements in **APPENDIX TEN**.

**Proposer:** \_\_\_\_\_

**By:** \_\_\_\_\_  
(Authorized Signature of Chief Information Security Officer or Equivalent)

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**APPENDIX ONE  
PROPOSAL REQUIREMENTS**

**TABLE OF CONTENTS**

**SECTION 1: GENERAL INFORMATION..... 1**

**SECTION 2: EXECUTION OF OFFER ..... 4**

**SECTION 3: PROPOSER'S GENERAL QUESTIONNAIRE ..... 7**

**SECTION 4: ADDENDA CHECKLIST ..... 9**



## SECTION 1

### GENERAL INFORMATION

#### 1.1 Purpose

University is soliciting competitive sealed proposals from Proposers having suitable qualifications and experience providing services in accordance with the terms, conditions and requirements set forth in this RFP. This RFP provides sufficient information for interested parties to prepare and submit proposals for consideration by University.

By submitting a proposal, Proposer certifies that it understands this RFP and has full knowledge of the scope, nature, quality, and quantity of the services to be performed, the detailed requirements of the services to be provided, and the conditions under which such services are to be performed. Proposer also certifies that it understands that all costs relating to preparing a response to this RFP will be the sole responsibility of the Proposer.

PROPOSER IS CAUTIONED TO READ THE INFORMATION CONTAINED IN THIS RFP CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS AND QUESTIONS AS DIRECTED.

#### 1.2 Inquiries and Interpretations

University may in its sole discretion respond in writing to written inquiries concerning this RFP and mail its response as an Addendum to all parties recorded by University as having received a copy of this RFP. Only University's responses that are made by formal written Addenda will be binding on University. Any verbal responses, written interpretations or clarifications other than Addenda to this RFP will be without legal effect. All Addenda issued by University prior to the Submittal Deadline will be and are hereby incorporated as a part of this RFP for all purposes.

Proposers are required to acknowledge receipt of each Addendum as specified in this Section. The Proposer must acknowledge all Addenda by completing, signing and returning the Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**). The Addenda Checklist must be received by University prior to the Submittal Deadline and should accompany the Proposer's proposal.

Any interested party that receives this RFP by means other than directly from University is responsible for notifying University that it has received an RFP package, and should provide its name, address, telephone and facsimile (**FAX**) numbers, and email address, to University, so that if University issues Addenda to this RFP or provides written answers to questions, that information can be provided to that party.

#### 1.3 Public Information

Proposer is hereby notified that University strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information.

University may seek to protect from disclosure all information submitted in response to this RFP until such time as a final agreement is executed.

Upon execution of a final agreement, University will consider all information, documentation, and other materials requested to be submitted in response to this RFP, to be of a non-confidential and non-proprietary nature and, therefore, subject to public disclosure under the *Texas Public Information Act* (ref. [Chapter 552, Government Code](#)). Proposer will be advised of a request for public information that implicates their materials and will have the opportunity to raise any objections to disclosure to the Texas Attorney General. Certain information may be protected from release under §§[552.101](#), [552.104](#), [552.110](#), [552.113](#), and [552.131](#), *Government Code*.

#### 1.4 Type of Agreement

Contractor, if any, will be required to enter into a contract with University in a form substantially similar to the **Agreement** between University and Contractor (the "**Agreement**") attached to this RFP as **APPENDIX TWO** and incorporated for all purposes.

#### 1.5 Proposal Evaluation Process

University will select Contractor by using the competitive sealed proposal process described in this Section. Any proposals that are not submitted by the Submittal Deadline or that are not accompanied by required number of completed and signed originals of the HSP will be rejected by University as non-responsive due to material failure to comply with this RFP (ref. **Section 2.5.4** of this RFP). Upon completion of the initial review and evaluation of proposals, University may invite one or more selected Proposers to participate in oral presentations. University will use commercially reasonable efforts to avoid public disclosure of the contents of a proposal prior to selection of Contractor.

University may make the selection of Contractor on the basis of the proposals initially submitted, without discussion, clarification or modification. In the alternative, University may make the selection of Contractor on the basis of negotiation with any of the Proposers. In conducting negotiations, University will use commercially reasonable efforts to avoid disclosing the contents of competing proposals.

University may discuss and negotiate all elements of proposals submitted by Proposers within a specified competitive range. For purposes of negotiation, University may establish, after an initial review of the proposals, a competitive range of acceptable or potentially acceptable proposals composed of the highest rated proposal(s). In that event, University may defer further action on proposals not included within the competitive range pending the selection of Contractor; provided, however, University reserves the right to include additional proposals in the competitive range if deemed to be in the best interest of University.

After the Submittal Deadline but before final selection of Contractor, University may permit Proposer to revise its proposal in order to obtain the Proposer's best and final offer. In that event, representations made by Proposer in its revised proposal, including price and fee quotes, will be binding on Proposer. University will provide each Proposer within the competitive range with an equal opportunity for discussion and revision of its proposal. University is not obligated to select the Proposer offering the most attractive economic terms if that Proposer is not the most advantageous to University overall, as determined by University.

University reserves the right to (a) enter into an agreement for all or any portion of the requirements and specifications set forth in this RFP with one or more Proposers, (b) reject any and all proposals and re-solicit proposals, or (c) reject any and all proposals and temporarily or permanently abandon this selection process, if deemed to be in the best interests of University. Proposer is hereby notified that University will maintain in its files concerning this RFP a written record of the basis upon which a selection, if any, is made by University.

#### **1.6 Proposer's Acceptance of RFP Terms**

Proposer (1) accepts [a] Proposal Evaluation Process (ref. **Section 1.5** of **APPENDIX ONE**), [b] Criteria for Selection (ref. **2.3** of this RFP), [c] Specifications and Additional Questions (ref. **Section 5** of this RFP), [d] terms and conditions of the Agreement (ref. **APPENDIX TWO**), and [e] all other requirements and specifications set forth in this RFP; and (2) acknowledges that some subjective judgments must be made by University during this RFP process.

#### **1.7 Solicitation for Proposal and Proposal Preparation Costs**

Proposer understands and agrees that (1) this RFP is a solicitation for proposals and University has made no representation written or oral that one or more agreements with University will be awarded under this RFP; (2) University issues this RFP predicated on University's anticipated requirements for the Services, and University has made no representation, written or oral, that any particular scope of services will actually be required by University; and (3) Proposer will bear, as its sole risk and responsibility, any cost that arises from Proposer's preparation of a proposal in response to this RFP.

#### **1.8 Proposal Requirements and General Instructions**

- 1.8.1 Proposer should carefully read the information contained herein and submit a complete proposal in response to all requirements and questions as directed.
- 1.8.2 Proposals and any other information submitted by Proposer in response to this RFP will become the property of University.
- 1.8.3 University will not provide compensation to Proposer for any expenses incurred by the Proposer for proposal preparation or for demonstrations or oral presentations that may be made by Proposer. Proposer submits its proposal at its own risk and expense.
- 1.8.4 Proposals that (i) are qualified with conditional clauses; (ii) alter, modify, or revise this RFP in any way; or (iii) contain irregularities of any kind, are subject to disqualification by University, at University's sole discretion.
- 1.8.5 Proposals should be prepared simply and economically, providing a straightforward, concise description of Proposer's ability to meet the requirements and specifications of this RFP. Emphasis should be on completeness, clarity of content, and responsiveness to the requirements and specifications of this RFP.
- 1.8.6 University makes no warranty or guarantee that an award will be made as a result of this RFP. University reserves the right to accept or reject any or all proposals, waive any formalities, procedural requirements, or minor technical inconsistencies, and delete any requirement or specification from this RFP or the Agreement when deemed to be in University's best interest. University reserves the right to seek clarification from any Proposer concerning any item contained in its proposal prior to final selection. Such clarification may be provided by telephone conference or personal meeting with or writing to University, at University's sole discretion. Representations made by Proposer within its proposal will be binding on Proposer.
- 1.8.7 Any proposal that fails to comply with the requirements contained in this RFP may be rejected by University, in University's sole discretion.

## 1.9 Preparation and Submittal Instructions

### 1.9.1 Specifications and Additional Questions

Proposals must include responses to the questions in Specifications and Additional Questions (ref. **Section 5** of this RFP). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N / A (Not Applicable) or N / R (No Response), as appropriate. Proposer should explain the reason when responding N / A or N / R.

### 1.9.2 Execution of Offer

Proposer must complete, sign and return the attached Execution of Offer (ref. **Section 2** of **APPENDIX ONE**) as part of its proposal. The Execution of Offer must be signed by a representative of Proposer duly authorized to bind the Proposer to its proposal. Any proposal received without a completed and signed Execution of Offer may be rejected by University, in its sole discretion.

### 1.9.3 Pricing and Delivery Schedule

Proposer must complete and return the Pricing and Delivery Schedule (ref. **Section 6** of this RFP), as part of its proposal. In the Pricing and Delivery Schedule, the Proposer should describe in detail (a) the total fees for the entire scope of the Services; and (b) the method by which the fees are calculated. The fees must be inclusive of all associated costs for delivery, labor, insurance, taxes, overhead, and profit.

University will not recognize or accept any charges or fees to perform the Services that are not specifically stated in the Pricing and Delivery Schedule.

In the Pricing and Delivery Schedule, Proposer should describe each significant phase in the process of providing the Services to University, and the time period within which Proposer proposes to be able to complete each such phase.

### 1.9.4 Proposer's General Questionnaire

Proposals must include responses to the questions in Proposer's General Questionnaire (ref. **Section 3** of **APPENDIX ONE**). Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N / A (Not Applicable) or N / R (No Response), as appropriate. Proposer should explain the reason when responding N / A or N / R.

### 1.9.5 Addenda Checklist

Proposer should acknowledge all Addenda to this RFP (if any) by completing, signing and returning the Addenda Checklist (ref. **Section 4** of **APPENDIX ONE**) as part of its proposal. Any proposal received without a completed and signed Addenda Checklist may be rejected by University, in its sole discretion.

### 1.9.6 Submission

*Proposer should submit all proposal materials as instructed in **Section 3** of this RFP. RFP No 720-2203. (ref. **Title Page** of this RFP) and Submittal Deadline (ref. **Section 2.1** of this RFP) should be clearly shown (1) in the Subject line of any email transmitting the proposal, and (2) in the lower left-hand corner on the top surface of any envelope or package containing the proposal. In addition, the name and the return address of the Proposer should be clearly visible in any email or on any envelope or package.*

University will not under any circumstances consider a proposal that is received after the Submittal Deadline or which is not accompanied by the HSP as required by **Section 2.5** of this RFP. University will not accept proposals submitted by email, telephone or FAX transmission.

Except as otherwise provided in this RFP, no proposal may be changed, amended, or modified after it has been submitted to University. However, a proposal may be withdrawn and resubmitted at any time prior to the Submittal Deadline. No proposal may be withdrawn after the Submittal Deadline without University's consent, which will be based on Proposer's written request explaining and documenting the reason for withdrawal, which is acceptable to University.

## SECTION 2

### EXECUTION OF OFFER

**THIS EXECUTION OF OFFER MUST BE COMPLETED, SIGNED AND RETURNED WITH PROPOSER'S PROPOSAL. FAILURE TO COMPLETE, SIGN AND RETURN THIS EXECUTION OF OFFER WITH THE PROPOSER'S PROPOSAL MAY RESULT IN THE REJECTION OF THE PROPOSAL.**

- 2.1 Representations and Warranties.** Proposer represents, warrants, certifies, acknowledges, and agrees as follows:
- 2.1.1 Proposer will furnish the Services to University and comply with all terms, conditions, requirements and specifications set forth in this RFP and any resulting Agreement.
  - 2.1.2 This RFP is a solicitation for a proposal and is not a contract or an offer to contract. Submission of a proposal by Proposer in response to this RFP will not create a contract between University and Proposer. University has made no representation or warranty, written or oral, that one or more contracts with University will be awarded under this RFP. Proposer will bear, as its sole risk and responsibility, any cost arising from Proposer's preparation of a response to this RFP.
  - 2.1.3 Proposer is a reputable company that is lawfully and regularly engaged in providing the Services.
  - 2.1.4 Proposer has the necessary experience, knowledge, abilities, skills, and resources to perform the Services.
  - 2.1.5 Proposer is aware of, is fully informed about, and is in full compliance with all applicable federal, state and local laws, rules, regulations and ordinances relating to performance of the Services.
  - 2.1.6 Proposer understands (i) the requirements and specifications set forth in this RFP and (ii) the terms and conditions set forth in the Agreement under which Proposer will be required to operate.
  - 2.1.7 Proposer will not delegate any of its duties or responsibilities under this RFP or the Agreement to any sub-contractor, except as expressly provided in the Agreement.
  - 2.1.8 Proposer will maintain any insurance coverage required by the Agreement during the entire term.
  - 2.1.9 All statements, information and representations prepared and submitted in response to this RFP are current, complete, true and accurate. University will rely on such statements, information and representations in selecting Contractor. If selected by University, Proposer will notify University immediately of any material change in any matters with regard to which Proposer has made a statement or representation or provided information.
  - 2.1.10 PROPOSER WILL DEFEND WITH COUNSEL APPROVED BY UNIVERSITY, INDEMNIFY, AND HOLD HARMLESS UNIVERSITY, THE STATE OF TEXAS, AND ALL OF THEIR REGENTS, OFFICERS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL ACTIONS, SUITS, DEMANDS, COSTS, DAMAGES, LIABILITIES AND OTHER CLAIMS OF ANY NATURE, KIND OR DESCRIPTION, INCLUDING REASONABLE ATTORNEYS' FEES INCURRED IN INVESTIGATING, DEFENDING OR SETTling ANY OF THE FOREGOING, ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM ANY NEGLIGENT ACTS OR OMISSIONS OR WILLFUL MISCONDUCT OF PROPOSER OR ANY AGENT, EMPLOYEE, SUBCONTRACTOR, OR SUPPLIER OF PROPOSER IN THE EXECUTION OR PERFORMANCE OF ANY CONTRACT OR AGREEMENT RESULTING FROM THIS RFP.
  - 2.1.11 Pursuant to §§[2107.008](#) and [2252.903](#), *Government Code*, any payments owing to Proposer under the Agreement may be applied directly to any debt or delinquency that Proposer owes the State of Texas or any agency of the State of Texas, regardless of when it arises, until such debt or delinquency is paid in full.
  - 2.1.12 Any terms, conditions, or documents attached to or referenced in Proposer's proposal are applicable to this procurement only to the extent that they (a) do not conflict with the laws of the State of Texas or this RFP, and (b) do not place any requirements on University that are not set forth in this RFP. Submission of a proposal is Proposer's good faith intent to enter into the Agreement with University as specified in this RFP and that Proposer's intent is not contingent upon University's acceptance or execution of any terms, conditions, or other documents attached to or referenced in Proposer's proposal.
  - 2.1.13 Pursuant to [Chapter 2270, Government Code](#), Proposer certifies Proposer (1) does not currently boycott Israel; and (2) will not boycott Israel during the Term of the Agreement. Proposer acknowledges the Agreement may be terminated and payment withheld if this certification is inaccurate.
  - 2.1.14 Pursuant to [Subchapter F, Chapter 2252, Government Code](#), Proposer certifies Proposer is not engaged in business with Iran, Sudan, or a foreign terrorist organization. Proposer acknowledges the Agreement may be terminated and payment withheld if this certification is inaccurate.
- 2.2 No Benefit to Public Servants.** Proposer has not given or offered to give, nor does Proposer intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with its proposal. Failure to sign this Execution of Offer, or signing with a false statement, may void the submitted proposal or any resulting Agreement, and Proposer may be removed from all proposer lists at University.
- 2.3 Tax Certification.** Proposer is not currently delinquent in the payment of any taxes due under [Chapter 171, Tax Code](#), or Proposer is exempt from the payment of those taxes, or Proposer is an out-of-state taxable entity that is not subject to those taxes, whichever is applicable. A false certification will be deemed a material breach of any resulting contract or agreement and, at University's option, may result in termination of any resulting Agreement.

- 2.4 Antitrust Certification.** Neither Proposer nor any firm, corporation, partnership or institution represented by Proposer, nor anyone acting for such firm, corporation or institution, has violated the antitrust laws of the State of Texas, codified in [§15.01 et seq., Business and Commerce Code](#), or the Federal antitrust laws, nor communicated directly or indirectly the proposal made to any competitor or any other person engaged in such line of business.
- 2.5 Authority Certification.** The individual signing this document and the documents made a part of this RFP, is authorized to sign the documents on behalf of Proposer and to bind Proposer under any resulting Agreement.
- 2.6 Child Support Certification.** Under [§231.006, Family Code](#), relating to child support, the individual or business entity named in Proposer's proposal is not ineligible to receive award of the Agreement, and any Agreements resulting from this RFP may be terminated if this certification is inaccurate.
- 2.7 Relationship Certifications.**
- No relationship, whether by blood, marriage, business association, capital funding agreement or by any other such kinship or connection exists between the owner of any Proposer that is a sole proprietorship, the officers or directors of any Proposer that is a corporation, the partners of any Proposer that is a partnership, the joint venturers of any Proposer that is a joint venture, or the members or managers of any Proposer that is a limited liability company, on one hand, and an employee of any member institution of University, on the other hand, other than the relationships which have been previously disclosed to University in writing.
  - Proposer has not been an employee of any member institution of University within the immediate twelve (12) months prior to the Submittal Deadline.
  - No person who, in the past four (4) years served as an executive of a state agency was involved with or has any interest in Proposer's proposal or any contract resulting from this RFP (ref. [§669.003, Government Code](#)).
  - All disclosures by Proposer in connection with this certification will be subject to administrative review and approval before University enters into any Agreement resulting from this RFP with Proposer.
- 2.8 Compliance with Equal Employment Opportunity Laws.** Proposer is in compliance with all federal laws and regulations pertaining to Equal Employment Opportunities and Affirmative Action.
- 2.9 Compliance with Safety Standards.** All products and services offered by Proposer to University in response to this RFP meet or exceed the safety standards established and promulgated under the Federal Occupational Safety and Health Law ([Public Law 91-596](#)) and the *Texas Hazard Communication Act*, [Chapter 502, Health and Safety Code](#), and all related regulations in effect or proposed as of the date of this RFP.
- 2.10 Exceptions to Certifications.** Proposer will and has disclosed, as part of its proposal, any exceptions to the information stated in this Execution of Offer. All information will be subject to administrative review and approval prior to the time University makes an award or enters into any Agreement with Proposer.
- 2.11 Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act Certification.** If Proposer will sell or lease computer equipment to University under any Agreement resulting from this RFP then, pursuant to [§361.965\(c\), Health & Safety Code](#), Proposer is in compliance with the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act set forth in [Chapter 361, Subchapter Y, Health & Safety Code](#), and the rules adopted by the Texas Commission on Environmental Quality under that Act as set forth in [30 TAC Chapter 328, §361.952\(2\), Health & Safety Code](#), states that, for purposes of the Manufacturer Responsibility and Consumer Convenience Computer Equipment Collection and Recovery Act, the term "computer equipment" means a desktop or notebook computer and includes a computer monitor or other display device that does not contain a tuner.
- 2.12 Conflict of Interest Certification.**
- Proposer is not a debarred vendor or the principal of a debarred vendor (i.e., owner, proprietor, sole or majority shareholder, director, president, managing partner, etc.) either at the state or federal level.
  - Proposer's provision of services or other performance under any Agreement resulting from this RFP will not constitute an actual or potential conflict of interest.
  - Proposer has disclosed any personnel who are related to any current or former employees of University.
  - Proposer has not given, nor does Proposer intend to give, at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to an officer or employee of University in connection with this RFP.

**214 Proposer should complete the following information:**

If Proposer is a Corporation, then State of Incorporation: \_\_\_\_\_

If Proposer is a Corporation, then Proposer's Corporate Charter Number: \_\_\_\_\_

RFP No.: 720-2203

**NOTICE:** WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER §§[552.021](#) AND [552.023](#), GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER [§559.004](#), GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

**Submitted and Certified By:**

\_\_\_\_\_  
(Proposer Institution's Name)

\_\_\_\_\_  
(Signature of Duly Authorized Representative)

\_\_\_\_\_  
(Printed Name / Title)

\_\_\_\_\_  
(Date Signed)

\_\_\_\_\_  
(Proposer's Street Address)

\_\_\_\_\_  
(City, State, Zip Code)

\_\_\_\_\_  
(Telephone Number)

\_\_\_\_\_  
(FAX Number)

\_\_\_\_\_  
(Email Address)

SECTION 3

**PROPOSER'S GENERAL QUESTIONNAIRE**

**NOTICE:** WITH FEW EXCEPTIONS, INDIVIDUALS ARE ENTITLED ON REQUEST TO BE INFORMED ABOUT THE INFORMATION THAT GOVERNMENTAL BODIES OF THE STATE OF TEXAS COLLECT ABOUT SUCH INDIVIDUALS. UNDER §§552.021 AND 552.023, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO RECEIVE AND REVIEW SUCH INFORMATION. UNDER §559.004, GOVERNMENT CODE, INDIVIDUALS ARE ENTITLED TO HAVE GOVERNMENTAL BODIES OF THE STATE OF TEXAS CORRECT INFORMATION ABOUT SUCH INDIVIDUALS THAT IS INCORRECT.

Proposals must include responses to the questions contained in this Proposer's General Questionnaire. Proposer should reference the item number and repeat the question in its response. In cases where a question does not apply or if unable to respond, Proposer should refer to the item number, repeat the question, and indicate N / A (Not Applicable) or N / R (No Response), as appropriate. Proposer will explain the reason when responding N / A or N / R.

**3.1 Proposer Profile**

3.1.1 Legal name of Proposer company:

\_\_\_\_\_

Address of principal place of business:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Address of office that would be providing service under the Agreement:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Proposer's corporate website: \_\_\_\_\_

Number of years in Business: \_\_\_\_\_

State of incorporation: \_\_\_\_\_

Number of Employees: \_\_\_\_\_

Annual Revenues Volume: \_\_\_\_\_

Name of Parent Corporation, if any \_\_\_\_\_

**NOTE: If Proposer is a subsidiary, University prefers to enter into a contract or agreement with the Parent Corporation or to receive assurances of performance from the Parent Corporation.**

3.1.2 State whether Proposer will provide a copy of its financial statements for the past two (2) years, if requested by University.

3.1.3 Proposer will provide a financial rating of the Proposer entity and any related documentation (such as a Dunn and Bradstreet analysis) that indicates the financial stability of Proposer.

3.1.4 Is Proposer currently for sale or involved in any transaction to expand or to become acquired by another business entity? If yes, Proposer will explain the expected impact, both in organizational and directional terms.

3.1.5 Proposer will provide any details of all past or pending litigation or claims filed against Proposer that would affect its performance under the Agreement with University (if any).

3.1.6 Is Proposer currently in default on any loan agreement or financing agreement with any bank, financial institution, or other entity? If yes, Proposer will specify the pertinent date(s), details, circumstances, and describe the current prospects for resolution.

3.1.7 Proposer will provide a customer reference list of no less than three (3) organizations with which Proposer currently has contracts and / or to which Proposer has previously provided services (within the past five (5) years) of a type and scope similar to those required by University's RFP. Proposer will include in its customer reference list the customer's company name, contact person, telephone number, project description, length of business relationship, and background of services provided by Proposer.

- 3.1.8 Does any relationship exist (whether by family kinship, business association, capital funding agreement, or any other such relationship) between Proposer and any employee of University? If yes, Proposer will explain.
- 3.1.9 Proposer will provide the name and Social Security Number for each person having at least 25% ownership interest in Proposer. This disclosure is mandatory pursuant to [§231.006, Family Code](#), and will be used for the purpose of determining whether an owner of Proposer with an ownership interest of at least 25% is more than 30 days delinquent in paying child support. Further disclosure of this information is governed by the *Texas Public Information Act* (ref. [Chapter 552, Government Code](#)), and other applicable law.
- 3.1.10 Proposer will provide the following:
  - A. Name, title, mailing address, telephone number, fax number, and email address for:
    - 1. The Proposer's contact person for Services that will result from this RFP;
    - 2. The person authorized to execute any contract(s) that may be awarded; and,
    - 3. The person who will serve as Proposer's legal counsel.
  - B. Type of Incorporation (for-profit, not-for-profit, or nonprofit) and whether publicly or privately owned.
  - C. Recent ratings and reports regarding Proposer issued by independent rating organizations or similar entities (e.g. Best's, Moody's, Standard & Poor's, etc.).
  - D. Proposer's most recent NAIC annual statement and most recent audited financial statement.
  - E. An organizational chart identifying who will be responsible for the administration and management of a contract with UT System should Proposer be selected as Contractor.
  - F. Proposer's current certificate of authority, issued by the Texas Department of Insurance, to provide the services described in the proposal in the state of Texas.
  - G. The Proposer's current State of Texas Contractor ID number (14-digit number).
  - H. The Proposer's current SSAE No. 16 report
  - I. Any Contractor required licenses

**3.2 Approach to Project Services**

- 3.2.1 Proposer will provide a statement of the Proposer's service approach and will describe any unique benefits to University from doing business with Proposer. Proposer will briefly describe its approach for each of the required services identified in **Section 5.4** Scope of Work of this RFP.
- 3.2.2 Proposer will provide an estimate of the earliest starting date for services following execution of the Agreement.
- 3.2.3 Proposer will submit a work plan with key dates and milestones. The work plan should include:
  - 3.2.3.1 Identification of tasks to be performed;
  - 3.2.3.2 Time frames to perform the identified tasks;
  - 3.2.3.3 Project management methodology;
  - 3.2.3.4 Implementation strategy; and
  - 3.2.3.5 The expected time frame in which the services would be implemented.
- 3.2.4 Proposer will describe the types of reports or other written documents Proposer will provide (if any) and the frequency of reporting, if more frequent than required in this RFP. Proposer will include samples of reports and documents if appropriate.

**3.3 General Requirements**

- 3.3.1 Proposer will provide summary resumes for its proposed key personnel who will be providing services under the Agreement with University, including their specific experiences with similar service projects, and number of years of employment with Proposer.
- 3.3.2 Proposer will describe any difficulties it anticipates in performing its duties under the Agreement with University and how Proposer plans to manage these difficulties. Proposer will describe the assistance it will require from University.

**3.4 Service Support**

Proposer will describe its service support philosophy, how it is implemented, and how Proposer measures its success in maintaining this philosophy.

**3.5 Quality Assurance**

Proposer will describe its quality assurance program, its quality requirements, and how they are measured.

**3.6 Financial Interest and Pricing**

- 3.6.1 Provide the names and addresses of all parties who would receive compensation as a result of Proposer's selection under this RFP, including, but not limited to, consulting fees, finder's fees, and service fees.
- 3.6.2 Provide the name and address of any sponsoring, parent, or other entity that provides financial support to Proposer. Include an indication of the type of support (i.e., guarantees, letters of credit, etc.) provided as well as the maximum limits of



additional financial support from other entities. If applicable, provide a copy of the sponsoring organization's most current audited financial statement.

- 3.6.3 Is Proposer actively considering or subject to any mergers with and / or acquisitions of or by other organizations? If so, provide specifics. Affirm that, if selected, Proposer would notify UT System immediately upon reaching any form of binding agreement in connection with any merger, acquisition, or reorganization of Contractor's management.
- 3.6.4 Disclose any contractual relationships with affiliates that could present a conflict of interest with Proposer's role as administrator of the UT FLEX plans.
- 3.6.5 List the names and addresses of all persons or entities that hold a 20% or greater ownership interest in Proposer's organization.
- 3.6.6 Proposer must agree to submit and receive all payments made to and from System through ACH or other electronic fund transfer methods. Confirm Proposer agrees and that Proposer will provide written notice to System at least 30 days in advance of the effective date of any changes to the banking information associated with electronic fund transfers to and from System.
- 3.6.7 Proposer must agree to assume responsibility for the escheatment process in accordance with Texas law for any payments disbursed on behalf of the UT FLEX plan. Provide Proposer confirmation.
- 3.6.8 Provide the name, title, mailing/email address(es) and telephone / fax number(s) for the actuarial / financial expert responsible for preparation of the Proposer's Price Proposal and other financial items in this response. This individual must be available to respond to inquiries made by UT System or its consulting actuary and provide any requested information concerning such items.

**3.7 Miscellaneous**

- 3.7.1 Proposer will provide a list of any additional services or benefits not otherwise identified in this RFP that Proposer would propose to provide to University. Additional services or benefits must be directly related to the goods and services solicited under this RFP.
- 3.7.2 Proposer will provide details describing any unique or special services or benefits offered or advantages to be gained by University from doing business with Proposer. Additional services or benefits must be directly related to the goods and services solicited under this RFP.
- 3.7.3 Does Proposer have a contingency plan or disaster recovery plan in the event of a disaster? If so, then Proposer will provide a copy of the plan.

**SECTION 4**

**ADDENDA CHECKLIST**

**Proposal of:** \_\_\_\_\_  
(Proposer Company Name)

**To:** The University of Texas System

**Ref.:** Third Party Administration of UT FLEX Plans

**RFP No.:** 720-2203

Ladies and Gentlemen:

The undersigned Proposer hereby acknowledges receipt of the following Addenda to the captioned RFP (initial if applicable).

**Note: If there was only one (1) Addendum, initial just the first blank after No. 1, not all five (5) blanks below.**

No. 1 \_\_\_\_\_ No. 2 \_\_\_\_\_ No. 3 \_\_\_\_\_ No. 4 \_\_\_\_\_ No. 5 \_\_\_\_\_

Respectfully submitted,

**Proposer:** \_\_\_\_\_

**By:** \_\_\_\_\_  
(Authorized Signature for Proposer)

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**APPENDIX TWO**  
**SAMPLE AGREEMENT**  
**(INCLUDED AS SEPARATE ATTACHMENT)**

## APPENDIX THREE

### ACCESS BY INDIVIDUALS WITH DISABILITIES

Contractor represents and warrants (**EIR Accessibility Warranty**) the electronic and information resources and all associated information, documentation, and support Contractor provides to University under this Agreement (**EIRs**) comply with applicable requirements set forth in [1 TAC Chapter 213](#), and [1 TAC §206.70](#) (ref. [Subchapter M, Chapter 2054, Government Code](#).) To the extent Contractor becomes aware that EIRs, or any portion thereof, do not comply with the EIR Accessibility Warranty, then Contractor represents and warrants it will, at no cost to University, either (1) perform all necessary remediation to make EIRs satisfy the EIR Accessibility Warranty or (2) replace EIRs with new EIRs that satisfy the EIR Accessibility Warranty. If Contractor fails or is unable to do so, University may terminate this Agreement and, within thirty (30) days after termination, Contractor will refund to University all amounts University paid under this Agreement. Contractor will provide all assistance and cooperation necessary for the performance of accessibility testing conducted by University or University's third party testing resources as required by [1 TAC §213.38\(g\)](#).

**APPENDIX FOUR**

**HIGHER EDUCATION VENDOR ASSESSMENT TOOL (HECVAT)**

**(INCLUDED AS SEPARATE ATTACHMENT)**

**APPENDIX FIVE**  
**ADMINISTRATIVE PERFORMANCE REPORT TEMPLATE**  
**(INCLUDED AS SEPARATE ATTACHMENT)**

**APPENDIX SIX**  
**ENROLLMENT ASSUMPTIONS**  
**(INCLUDED AS SEPARATE ATTACHMENT)**

**APPENDIX SEVEN**

**UT FLEX Benefits**

**(INCLUDED AS SEPARATE ATTACHMENT)**



**APPENDIX EIGHT**  
**UT SYSTEM SPECIFIC WEBSITE REQUIREMENTS**  
**(INCLUDED AS SEPARATE ATTACHMENT)**

**APPENDIX NINE**

**CERTIFICATE OF INTERESTED PARTIES  
(Texas Ethics Commission Form 1295)**

This is a sample Texas Ethics Commission's FORM 1295 – CERTIFICATE OF INTERESTED PARTIES. If not exempt under [Section 2252.908\(c\), Government Code](#), Contractor must use the Texas Ethics Commission electronic filing web page (at <https://www.ethics.state.tx.us/data/forms/1295/1295.pdf>) to complete the most current Certificate of Interested Parties form and submit the form as instructed to the Texas Ethics Commission and University. **The Certificate of Interested Parties will be submitted only by Contractor to University with the signed Agreement.**

<b>CERTIFICATE OF INTERESTED PARTIES</b>		<b>FORM 1295</b>	
Complete Nos. 1 - 4 and 6 if there are interested parties. Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.		<b>OFFICE USE ONLY</b>	
<b>1 Name of business entity filing form, and the city, state and country of the business entity's place of business.</b>			
<b>2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.</b>			
<b>3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.</b>			
4	Name of Interested Party	City, State, Country (place of business)	Nature of Interest (check applicable)
			<input type="checkbox"/> Controlling <input type="checkbox"/> Intermediary
<b>5 Check only if there is NO Interested Party.</b> <input type="checkbox"/>			
<b>6 AFFIDAVIT</b> I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.			
_____ Signature of authorized agent of contracting business entity			
AFFIX NOTARY STAMP / SEAL ABOVE			
Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20_____, to certify which, witness my hand and seal of office.			
_____ Signature of officer administering oath      Printed name of officer administering oath      Title of officer administering oath			
<b>ADD ADDITIONAL PAGES AS NECESSARY</b>			

**APPENDIX TEN**  
**INFORMATION SECURITY REQUIREMENTS AND QUESTIONS**  
**(INCLUDED AS SEPARATE ATTACHMENT)**