



AGENDA ITEM REPORT

DATE: October 18, 2022
DEPARTMENT: Human Resources
REQUESTER: Erin Hailstone
TITLE: Award Contract for Employee Benefits - FSA and COBRA

I. MOTION REQUESTED

- A) Award Request for Proposal No. RFP220087CJV, Employee Benefits – FSA and COBRA to Payflex Systems USA, Inc. for flexible spending account and COBRA insurance employee benefits, on an as needed basis, for an initial term of three years, in the amount of approximately \$85,941.00.
- B) Authorize the Chair to execute the contract documents on behalf of the Board of County Commissioners upon final contract negotiations and County Attorney review.
- C) Grant the County Manager or designee the authority to renew the contract, for a period not to exceed the initial agreement term of three years, and to execute all associated documents, as approved in the departments’ annual adopted budgets, if doing so is in the best interest of Lee County, and there are no cost increases associated with the renewal(s).

II. ITEM SUMMARY

Approves the ranking of firms, and authorizes the negotiation and execution of a contract with the top ranked firm, Payflex Systems USA, Inc for Employee Benefits – FSA and Cobra. Provides administration of flexible spending accounts (FSA) and COBRA commencing on January 1, 2023. The initial contract is for three years with a renewal term or terms not to exceed the initial agreement of 3 years.

New contract is expected to reduce costs by 2.4% over the three-year term. Total costs estimated at \$85,941.

III. BACKGROUND AND IMPLICATIONS OF ACTION

- A) Board Action and Other History
 Procurement Management obtained proposals for the project known as Request for Proposal Number RFP220087CJV Employee Benefits – FSA and COBRA. The project was competitively bid. On the solicitation deadline of April 11, 2022, Procurement Management received seven submittals found to be responsive and responsible.

 An evaluation meeting was held on May 11, 2022 during which the Evaluation Committee considered criterion as listed in the solicitation request including such items as: Service Capabilities, Plan Administration, Value Adds, Related Experience and References and Cost. Based on the information submitted by the proposers, it was the consensus of the committee to negotiate with and recommend the award of a contract to Payflex Systems USA, Inc for use on an as needed basis for an initial three-year term. The contract can be renewed for terms not to exceed the initial agreement term of three (3) years, upon agreement of both parties.

 New contract is expected to reduce costs by 2.4% over the three-year term. Total 2023-2025 costs estimated at \$85,941.
- B) Policy Issues
- C) BoCC Goals
- D) Analysis
- E) Options

IV. FINANCIAL INFORMATION

A)	Current year dollar amount of item:	\$28,870
B)	Is this item approved in the current budget?	Yes
C)	Is this a revenue or expense item?	Expense
D)	Is this Discretionary or Mandatory?	Discretionary
E)	Will this item impact future budgets? If yes, please include reasons in III(D) above.	
F)	Fund: Self Insurance Health Fund Program: Project: Account Strings: GC5133757602.503190	

G)	Fund Type?	Other: Self Insurance Health Fund
H)	Comments:	

V. RECOMMENDATION

Approve

VI. TIMING/IMPLEMENTATION

New contract effective 1/1/2023

VII. FOLLOW UP

ATTACHMENTS:

Description	Upload Date	Type
Notice of Intended Decision	9/13/2022	Backup Material
RFP 220087 Evaluation Minutes	9/13/2022	Backup Material
ASA Service Exhibit	9/26/2022	Exhibit
LCBOCC ASA Summary Sheet	9/26/2022	Contract
Administrative Services Agreement	10/10/2022	Agreement
RFP220087CJV - PayFlex FSA Administration Services - Damages Cap	10/10/2022	Backup Material

REVIEWERS:

Department	Reviewer	Action	Date
Human Resources	Tucker, Mary	Approved	9/26/2022 - 10:16 AM
Human Resources	Westen, Samantha	Approved	9/27/2022 - 9:53 AM