UNIVERSITY OF ARKANSAS SYSTEM

Request for Proposal
RFP No. 261112

Administration Services for COBRA, Flexible Spending Accounts (FSA), HDHP Health Savings Accounts (HSA), and Retiree Billing

Q&A Addendum No. 1

This document provides question and answer information pertaining to the above captioned RFP.

REMINDER: It is the Offeror's responsibility to thoroughly read and examine the entire RFP and any addenda to the RFP.

1. Please provide current enrollment/participant counts by service.

   Answer: Census includes participant data.

2. Please provide current participant counts for:
   • HSA
   • Health Care FSA
   • Dependent Care FSA
   • COBRA eligible participants
   • Current COBRA participants
   • Retiree Billing participants

   If available, please provide these counts by campus/entity.

   Answer:
   HSA – 2,424
   Health Care FSA – 3,210
   Dependent Care FSA – 493
   COBRA eligible participants – Unknown at this time
   Current COBRA participants – 54
   Retiree Billing participants – 2,625

3. Please clarify the HSA transition expectation. The RFP states that UAS will pay administrative fees and employer contributions only for HSAs established with the awarded vendor or transferred from the incumbent vendor.

Answer: If an employee decides to enroll in an HSA at another bank or keep an HSA with the older vendor, UAS is not responsible. UAS is only responsible for HSAs with the new vendor.

4. Please confirm whether UAS anticipates a bulk trustee-to-trustee transfer of existing HSA balances to the new HSA custodian, and if so, please provide the approximate number of accounts and aggregate assets expected to transfer.

   Answer: UAS anticipates a bulk transfer of existing HSA balances to the new custodian. Please refer to the counts provided in question 2 for the number of current HSA accounts.

5. Please clarify the reference to "2026 balances" in Question 5.2.5. Question 5.2.5 references the "Initial setup of employee accounts including 2026 balances and processing run-out claims," while the anticipated effective date is January 1, 2028. Should this reference instead be to 2027 balances?

   Answer: Yes, Questions 5.2.5 should state, the “Initial setup of employee accounts including 2027 balances and processing run-out claims.”

6. Please clarify responsibility for FSA run-out claims. For the January 1, 2028 transition, will the incumbent administrator remain responsible for 2027 FSA run-out claims, or is the new administrator expected to assume prior-year balances and process run-out claims? If the latter, please provide the applicable run-out period and expected claims volume.

   Answer: The current administer will administer run-out claims and they will then transfer balances at the end of the run-out.

7. Please clarify the reference to "ASE and PSE Plans." Under Claims Processing, the RFP requires "separate invoices for the ASE and PSE Plans." Please define ASE and PSE and identify which of the FSA/HSA/COBRA/Retiree Billing services this requirement applies to.

   Answer: Offerors should disregard the references to “ASE” and “PSE” and interpret those references as applying to each participating campus/entity.

8. Please clarify the HSA plan-document requirement. The RFP requires a compliant Plan Document for both the FSA and HSA Programs. Please clarify the specific HSA document UAS expects the awarded HSA administrator to draft and maintain, considering HSAs are individually owned accounts.

   Answer: A plan document is not required for HSA plans.

9. Please clarify the required non-discrimination testing population. For IRC Sections 105/106, 125 and 129 testing, will UAS provide a consolidated eligibility/payroll census across all participating campuses and affiliates, or will testing be performed separately by entity/campus?

Answer: UAS is a governmental, non-ERISA plan. Offerors should not assume that ERISA-based nondiscrimination testing is required. Because UAS participates as a single plan sponsor under one contract, any testing the University does request would be performed on a consolidated basis, using one eligibility/payroll census covering all participating campuses and affiliates, rather than separately by entity/campus. Offerors should describe the testing services they offer and identify any associated fees separately.

10. Please confirm whether an Offeror may propose reasonable exceptions or modifications to the UAS standard terms and conditions as part of its proposal without the proposal being deemed non-responsive, provided each exception is clearly identified as required by Section 2.2.

    Answer: Offerors may propose reasonable exceptions or modifications to the UAS Standard Terms and Conditions as part of its proposal without the proposal automatically being deemed non-responsive, provided that they are clearly noted by reference to the page number, section, paragraph, or other identifying reference in the RFP. Any exceptions or modifications proposed will be reviewed by the Evaluation Committee and the UAS General Counsel's Office and considered. The University reserves the right to reject any and all proposed modifications of UAS Standard Terms and Conditions or to negotiate exceptions or modifications as it decides in its perceived best interest.

11. Would permission to utilize the University logo for the purpose of cobranding during a demonstration be granted? If so, please advise the appropriate logo to utilize.

    Answer: Permission will be granted to the Offeror awarded the contract for use during demonstrations. The UA System logo will be provided during implementation.

12. Does the group have divisional invoicing needs? Or only those for the ASE and PSE Plan?

    Answer: Offerors should disregard the references to "ASE" and "PSE" and interpret those references as applying to separate invoices for each participating campus/entity.

13. Does the University of divisional needs for COBRA remittance? Or do all remittance funds get sent to a single location?

    Answer: COBRA funds will be remitted to UAS. Each campus/division will need access to their respective entity. UAS will need access to all entities.

14. Does the University of divisional needs for claim funding? In which each entity is responsible for funding their own FSA claims?

    Answer: Each campus will fund their own FSA claims.

15. Does the University of divisional needs for access to reporting details? In that certain contacts may need to only see data from their respective entity?

Answer: Each entity will need access to its respective data. UAS will need access to data for all entities.

16. Are there integrations in place today between the medical carrier and the HSA incumbent to support auto-expense-filing?

    Answer: No, there is no integration between the medical carrier and HSA incumbent to support auto-expense-filing.

17. Are there integrations established today between the carriers and the FSA incumbent to support auto-adjudication of debit card transactions?

    Answer: There are integrations between the medical and pharmacy carriers.

18. Who is the University's medical, dental, and vision carriers? Are there any expected marketings/changes to these carriers for 1/1/2028?

    Answer: UMR medical, AR BCBS dental, EyeMed vision. Medical is being marketed for 2028.

19. What is the FSA claim funding workflow. Does the University of a reserve of funds held with the incumbent? If so, how frequently is the reserve replenished, per pay period or on another determined frequency?

    Answer: The University does not maintain a reserve of funds with the incumbent administrator. Each campus/division remits payroll deductions each pay period. At the end of the plan year, a forfeiture report shows any overfunding or underfunding due.

20. Who is the 403b/401k provider?

    Answer: TIAA & Fidelity.

21. Has the University moved HSAs before, and if so, how was the experience?

    Answer: No. The HSA has been administered by the current vendor.

22. Does the University collect email addresses for all benefits eligible, whether personal and/or work emails?

    Answer: Yes.

23. How many HSA investors are there?

    Answer: This data is currently unavailable from the current vendor.

24. How long has the HDHP/HSA option been offered?

    Answer: The HDHP/HSA has been offered since January 1, 2018.

25. Please provide the FSA plan design and whether a carryover, grace period, and/or runout period pertain.

    Answer: https://benefits.uasys.edu/uams/health/flexible-spending-accounts.

26. Please share about the HR team structure -- does each entity have a HR contact, or is there a centralized team for all related entities?

    Answer: Each campus/division/unit has an HR contact.

27. What has gone particularly well with the administration of these lines that the University would want to ensure continued?

    Answer: UAS would want to continue access to strong administrative support, including timely and accurate claims processing, responsive customer service, effective issue resolution, reliable reporting, and a dedicated account management.

28. Have all renewals been leveraged with the current providers?

    Answer: Yes.

29. Who is the incumbent for the HSA, FSA, and COBRA administration?

    Answer: UMR administers the FSA and COBRA. Optum Bank administers the HSA.

30. What are the HSA assets under management, broken out by cash assets and invested assets?

    Answer: This data is currently unavailable from the current vendor.

31. Please confirm the census will contain number of active HSA participants, active FSA participants, number of COBRA members, and number of Direct Bill members, once released.

    Answer: Census includes participant data.

32. Will the University be utilizing the Workday Wellness platform?

    Answer: UAS does not anticipate the use of the Workday Wellness platform.

33. Please provide historical context for Open Enrollment, including typically how many events occur, how many locations it includes, and past dates of these events for reference.

    Answer:

    Locations: 18 (not including the sub-sets under UAF)

    - Arkansas School for Mathematics, Sciences and the Arts

- Cossatot Community College of the University of Arkansas
- Phillips Community College of the University of Arkansas
- University of Arkansas Community College at Batesville
- University of Arkansas Community College at Hope-Texarkana
- University of Arkansas Community College at Morrilton
- University of Arkansas Community College Rich Mountain
- Division of Agriculture of the University of Arkansas
- University of Arkansas, Fayetteville; University of Arkansas Clinton School of Public Service; Arkansas Archeological Survey; Arkansas Research and Education Optical Network (ARE-ON) – The three listed after UAF fall under the UAF umbrella
- Criminal Justice Institute
- University of Arkansas at Fort Smith
- University of Arkansas at Little Rock
- University of Arkansas at Monticello
- University of Arkansas for Medical Sciences
- University of Arkansas at Pine Bluff
- University of Arkansas Pulaski Technical College
- University of Arkansas System
- University of Arkansas Grantham – No physical location; mail/correspondence sent to University of Arkansas System Office

Past Dates:

- 2027 Open Enrollment: October 19 – November 2, 2026
- 2026 Open Enrollment: October 20 – November 3, 2025
- 2025 Open Enrollment: October 21 – November 4, 2024

Events: Data is unavailable on enrollments made/changes, but UAS sent Open Enrollment packets to 21,508 benefits-eligible employees this year.

34. Is the COBRA administration only for FSA members, or is it for the full scope of COBRA eligible benefits including medical, dental, vision, etc?

    Answer: It is for all eligible benefits.

35. Do all included entities contract under one main contract, or would each entity contract separately with the chosen provider?

    Answer: Contracting will be between the chosen provider and the Board of Trustees of the University of Arkansas on behalf of the University of Arkansas System.

36. Please confirm all entities would move to/stay with the selected administrator.

    Answer: Yes.

37. Where are there areas for enhancement with the administration and experience of these lines (HSA, FSA, COBRA)?

    Answer: Offerors should provide in their proposals areas where they think enhancements can be made with the administration and experience of HSAs, FSAs and COBRA.

38. What is the total number of active benefits eligible (excluding retirees) for FSA/HSA?

    Answer: The total number of active eligibles is included in the census data that will be released on 11/30/2026.

39. Can you provide the number of enrollments in the FSA plan/Dependent care plan? Is the Limited Purpose FSA offered?

    Answer: See the response to Question 2 for enrollment information. UAS does not offer a Limited Purpose FSA for HSA participants.

40. Can you provide the number of Health Savings Account participants?

    Answer: See the response to Question 2 for number of participants.

41. How many qualifying events occur each year, on average?

    Answer: The average annual number of terminations is approximately (2,450), Each qualifying event i.e. Marriage, divorce, etc., is undetermined at this time.

42. Is this number in general across all entities, or do you see higher turnover in certain groups compared to others?

    Answer: This is across the entire System with higher terminations at the two largest campuses.

43. How many new hire notices are sent each year?

Answer: UAS experiences approximately 1,900 new hires annually.

44. How many participants are active in COBRA as of 11/15/2026?

    Answer: See response to Question 2 for number of participants.

45. Are there any pending participants?

    Answer: Undetermined at this time. COBRA notices go out continuously and participants have 63 days to elect.

46. Can you provide current enrollment numbers for health care and dependent care FSAs?

    Answer: See response to Question 2 for current enrollment.

47. Are you also offering the Limited Purpose Health Care FSA?

    Answer: No, UAS is not offering the Limited Purpose Heath Care FSA.

48. Can you confirm COBRA administration?

    Answer: UAS is seeking COBRA administration for all eligible benefits, including FSA members.

49. In the RFP it specifically mentions offering COBRA to FSA members. Is this RFP only for COBRA for FSA participants, or is COBRA being provided for all applicable benefits, including FSA?

    Answer: It is for all eligible benefits, including to FSA members.