



David A. Paterson
Governor

State of New York
Governor's Office of Employee Relations
2 Empire State Plaza, 12th Floor, Albany, New York 12223
(518) 474-6988 • (518) 486-7304 (Fax)

Gary Johnson
Director

December 14, 2009

Dear Potential Bidder:

The Governor's Office of Employee Relations is soliciting proposals from qualified vendors to secure the services of a Third Party Administrator (TPA) that can provide complete administrative services to successfully operate New York State's two pre-tax programs: the NYS Flex Spending Account (FSA), a flexible spending account plan for health care and dependent care expenses authorized by the Internal Revenue Code Sections 125 and 129; and *NYS-Ride*, a qualified transportation fringe benefit (QTB) plan authorized by Internal Revenue Code Section 132. Prior experience providing TPA services to clients with 75,000 or more employees in multi-site locations is a requirement for bidders.

The purpose of the FSA and *NYS-Ride* is to enable eligible state employees to set aside payroll deductions on a pre-tax basis for eligible health care and dependent care expenses and for qualified transit expenses. There are approximately 225,000 New York State employees potentially eligible to participate in the programs statewide. In addition to Executive Branch employees, the programs are also offered to employees of the Unified Court System and Legislature, both of which currently participate in the FSA and *NYS-Ride*.

Bidders are invited to submit proposals for *any* or *each* of three discrete components:

1. FSA Component: TPA services for the NYS Flex Spending Account (FSA) program;
2. *NYS-Ride* Component: TPA services for the pre-tax transit program, *NYS-Ride*; and
3. FSA and *NYS-Ride* Combined Component: TPA services for both the FSA program and *NYS-Ride* program.

Each component is fully described in Section B of the RFP. GOER reserves the right to award either a single contract or separate contracts for the FSA and *NYS-Ride* based on the best value to New York State.

The term of the contract will be defined in the Contract Agreement, but is anticipated to begin up to six months prior to January 1, 2011 and end on December 31, 2017. The start date of the contract will be negotiated with the selected vendor(s).

The proposal requirements and guidelines are available through the Governor's Office of Employee Relations website at <http://goer.state.ny.us/vendor-info/index.html>.

If your organization chooses not to bid, but is aware of an organization(s) that might provide these services, please alert them about this Request for Proposal (RFP) immediately. Your prompt attention is important, since there are several deadlines that require a response.

A Bidders' Conference will be held in Room 125 - Concourse level of the Empire State Plaza, Albany, New York on January 25, 2010 beginning at 1:30 pm. The intent of this conference is to answer bidder's questions concerning the scope of work, the bidding requirements, and the bidding process. All bidders, whether attending the Bidders' Conference or not, are encouraged to submit typed questions via electronic mail to dmiller@goer.state.ny.us or fax to Deborah Miller at 518-473-6934, or mail to the address provided below. Questions regarding the RFP will be accepted until 5:00 PM December 31, 2009. No telephone inquiries will be accepted. Answers to all questions received by this date will be reviewed at the Bidders' Conference and also posted on the agency website at www.goer.state.ny.us/vendor-info/index.html no later than January 25, 2010. The written responses will not attribute the questions to specific bidders, thus bidders are assured of anonymity. Prospective bidders may obtain a hard copy of the questions and answers upon request from the address provided below. Answers to questions arising from the Bidders' Conference will be posted to the GOER website by February 9, 2010. If planning to attend, you must submit form ADM -301 by December 31, 2009.

Any organization intending to bid should submit a written notice of such intent no later than 5:00 pm Eastern Time January 28, 2010. You may fax your notice to Deborah Miller at (518) 473-6934 or mail to the address below. If you have difficulty downloading the RFP you may request a hardcopy by contacting Deborah Miller at dmiller@goer.state.ny.us or Dawn LaPointe at dlapointe@goer.state.ny.us. A bid review committee will evaluate all bids submitted in response to this RFP. All bids must be received by 5:00 p.m. Eastern Time on February 26, 2010. Bidders must:

- Submit a separate proposal for each Component (FSA, NYS-Ride, or Combined) on which you are bidding.
- Submit 10 hard copies, including two signed copies in blue ink, of the completed technical proposal and one copy on CD ROM in Microsoft Word format for each Component on which you are bidding. **Do not include any cost information in the technical proposal (see next paragraph).**

- Submit three hard copies, including two signed copies in blue ink, of the cost proposal and one copy on CD ROM for each Component on which you are bidding. **All cost information and required budget forms must be submitted in a separate, sealed envelope and marked clearly as the bidder's cost proposal.**
- Mark the outside mailing label referencing the RFP title and cost proposal or technical proposal. Clearly indicate on the envelope all of the Components on which you are bidding.

We anticipate the selected vendor will be notified in April 2010.

Should you decide not to submit a proposal, we would greatly appreciate a brief written explanation of your reasons that can be emailed to dmiller@goer.state.ny.us. We are required to provide these explanations to the Office of the State Comptroller as part of the competitive bid process. Thank you for your interest in this project.

Please send bids to:

Ms. Deborah Miller, Staff Director
NYS Work-Life Services – Family Benefits Unit
55 Elk Street, Suite 301-C
Albany, NY 12210-2331

Sincerely,



Mary Caldwell
Program Manager,
FSA – Dependent Care Advantage
Account, and *NYS-Ride*

Sincerely,



Lisa Todd
Program Manager,
FSA – Health Care Spending Account