

RFP #ETI0022

Employee Reimbursement Accounts and
Commuter Benefits Program

**The State of Wisconsin
Department of Employee Trust Funds**

Due Date: April 28, 2009, 3:00 PM (CT)



FBMC

Premier Benefits Solutions

Technical Proposal

Submitted by:

Fringe Benefits Management Company
3101 Sessions Rd.
Tallahassee, Florida 32303
Phone: (800) 872-0345
www.fbmc.com

FBMC Contact Info:

April Sheffield, CFC
Account Manager
Client Services Division
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Quality, Integrity, Longevity

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Exhibits	

EXHIBITS

Communications Materials Exhibit A

FSA

Enrollment Booklet

Enrollment Form.....

Enrollment Poster.....

E-mail flyers

Card Packet

 Card Carrier with two Payment Cards

 Usage Instructions and Cardholder’s Agreement.....

 Welcome to myFBMC CardSM (Card Instructional Brochure)

QTB

User Guide.....

E-mail flyer

FORMS

ERA Change in Status Form

ERA Claim Form

Direct Deposit Form

Medical Expense Account Continuation Election Form.....

Letter of Medical Need

QTB Claim Form

Medical FSA Eligible Expenses Documentation

Reports and Notices Exhibit B

FSA

Employer Reports

Bank Reconciliation.....

Call Activity

Exception

Reimbursement Summary.....

Stale-Dated Checks

Quarterly Review.....

Benefits Alert.....

Employee Reports

Account Activity Statement.....

Advice of Deposit – direct deposit transactions

Confirmation of Benefits (Welcome Packet)

Explanation of Reimbursement
 Explanation of Reimbursement Non-Payment.....
 Appeal Determination Letters.....
QTB
Employer Reports (in addition to those listed under the FSA section above)
 Fulfillment Summary.....
 Order Funding.....
 QTB Reimbursement Summary Report.....
Performance Standards and Guarantees Monitoring Reports Samples
 Customer Care Queue Analysis Report.....
 Monthly FSA and QTB Disposition Report.....
 Performance Standards and Guarantees Report (excerpt).....

Sample Employer Administration Guide Exhibit C
 Inventory Information Approval System (IIAS) Certified Merchant Listing Exhibit D
 Call Center Training Materials for EFT Exhibit E
 Customer Satisfaction Survey Form and Results Exhibit F
 Website Screen Shots..... Exhibit G
 FSA: On-Line Enrollment
 QTB: On-Line Enrollment.....
 myFBMC Customer Website.....

FBMC/Accor Services 4C Program Exhibit H

**Appendix A
RFP #ETI0022**

Proposer's Checklist

Mandatory –

This appendix must be completed with proposal.

(X) 1. TRANSMITTAL LETTER

(X) 2. AGREEMENTS

Appendix B – Mandatory Requirements

Appendix C – Designation of Confidential and Proprietary Information

Appendix D – Standard Terms and Condition and Supplemental Standard
Terms and Conditions for Procurements for Services

Appendix E -- Lobbying Information

Appendix F – Vendor Information and Reference Sheets

Appendix G – Privacy of Personal Data and Mitigation of Privacy Breach

(X) 3. RESPONSE TO SECTION B BIDDER QUALIFICATIONS

(X) 4. RESPONSE TO SECTION C ADMINISTRATIVE REQUIREMENTS

(X) 5. RESPONSE TO SECTION D COST PROPOSAL

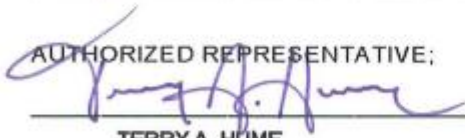
PROPOSING VENDOR NAME:

DATE:

FRINGE BENEFITS MANAGEMENT COMPANY

04/24/09

AUTHORIZED REPRESENTATIVE:



TERRY A. HUME

TAB 1
TRANSMITTAL LETTER



April 24, 2009

Marcia Blumer
Department of Employee Trust Funds
801 West Badger Road
Madison, WI 53713-2526

Re: #ETI0022 – RFP for the State of Wisconsin
Employee Reimbursement Accounts and Commuter Benefits Programs

Dear Ms. Blumer:

Thank you for the opportunity to submit this proposal for consideration by the Department of Employee Trust Funds (ETF) for the administration of the Employee Reimbursement Accounts (FSA) and Commuter Benefits Program (QTB).

The following statements are provided per the Transmittal Letter requirements of the RFP.

This proposal in response to RFP #ETI0022 is submitted by:

Fringe Benefits Management Company
3101 Sessions Road
Tallahassee, FL 32303
(800) 872-0345
(850) 425-6220 (Fax)
www.fbmc.com
www.myfbmc.com

Primary Contact:

April Sheffield, CFC
Account Manager
(800) 872-0345, ext 2180
(850) 425-6220 (fax)
asheffield@fbmc.com

Secondary Contact:

Darryl Beacher
Sales Consultant
(850) 491-8525
dbeacher@fbmc.com

FBMC understands that this solicitation is issued to select the most qualified Vendor to administer the FSA and QTB programs. We commit to performing all work in accordance with the scope of work and timeframes presented in the RFP.

We believe that FBMC is best qualified to perform the work required in the RFP since FBMC and the ETF have enjoyed a productive and mutually-beneficial, contractual relationship since 01/01/1990 (19 years). FBMC has developed many positive relationships with ETF personnel and has acquired a thorough understanding of its employee benefits plan objectives. Our working knowledge of one another will facilitate a smooth continuation of the FSA and QTB services.

FBMC's proposal includes all required materials, including Tab 1, Transmittal Letter, Tab 2, Required Forms, Tab 3, Response to Proposal Questions and Statements and all required Exhibits.

FBMC has complied with all proposal requirements, including the Mandatory Requirements set forth in Appendix B.

FBMC will conform with all rights and terms specified in the RFP, including the Standard Terms and Conditions and Supplemental Terms and Conditions and Conditions for Procurements for Services in Appendix D.

FBMC takes no exceptions to any of the terms and conditions presented in the RFP. Should FBMC be selected as a finalist, we would welcome an opportunity to personally present our solution to ETF.

I am authorized to bind FBMC to the terms of the enclosed proposal and pricing. I will not and have not participated in any actions contrary to the RFP.

Our proposal, including fees quoted, will remain in full force and effect for at least 180 days from the proposal due date.

Following this letter, we have included the RFP Cover Page.

On behalf of our team, I look forward to hearing from you.

Sincerely,



Terry A. Hume
Bid Compliance Officer, LDO

QUALITY • INTEGRITY • LONGEVITY

Fringe Benefits Management Company • 3101 Sessions Road • Tallahassee, Florida 32303 • www.fbmc-benefits.com

State of Wisconsin
DOA-3261 (R08/2003)
s. 16.75, Wis. Statutes

PROPOSALS MUST BE SEALED AND ADDRESSED TO:

Department of Employee Trust Funds
P.O. Box 7931
Madison, WI 53707-7913

REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER

VENDOR (Name and Address)

Proposal envelope must be sealed and plainly marked in lower corner with due date and Request for Proposal # **ETI0022**. Late proposals shall be rejected. The soliciting purchasing office on or before the date and time that the proposal is due **MUST** date and time stamp proposals. Proposals dated and time stamped in another office shall be rejected. Receipt of a proposal by the mail system does not constitute receipt of a proposal by the purchasing office. Any proposal that is inadvertently opened as a result of not being properly and clearly marked is subject to rejection. Proposals must be submitted separately, i.e., not included with sample packages or other proposals. Proposal openings are public unless otherwise specified. Records will be available for public inspection after issuance of the notice of intent to award or the award of the contract. Vendor should contact person named below for an appointment to view the proposal record. Proposals shall be firm for acceptance for 180 days from date of proposal opening, unless otherwise noted. The attached terms and conditions apply to any subsequent award.

Proposals MUST be in this office no later than April 28, 2009; 3:00 PM, CST	Public Opening <input type="checkbox"/> No Public Opening <input checked="" type="checkbox"/>
Name (Contact for further information) Marcia Blumer	
Phone 608/266-2640	Date March 23, 2009
Quote Price and Delivery FOB Madison	

Description

Request for Proposal (RFP) ETI0022 for administration of the Employee Reimbursement Accounts Program and the Commuter Benefits Program offered to State of Wisconsin employees by the State of Wisconsin Employee Trust Funds Board.

RFP ETI0022, amendments and questions and answers will be posted on the ETF Web site <http://etfextranet.it.state.wi.us> and will not be mailed.

Payment Terms:

Delivery Time:

In signing this proposal we also certify that we have not, either directly or indirectly, entered into any agreement or participated in any collusion or otherwise taken any action in restraint of free competition, that no attempt has been made to induce any other person or firm to submit or not to submit a proposal, that this proposal has been independently arrived at without collusion with any other vendor, competitor or potential competitor, that this proposal has not been knowingly disclosed prior to the opening of proposals to any other vendor or competitor, that the above statement is accurate under penalty of perjury. We will comply with all terms, conditions and specifications required by the State in this Request for Proposal and all terms of our proposal.

Name of Authorized Company Representative (Type or Print) TERRY A. HUME FRINGE BENEFITS MANAGEMENT COMPANY	Title BID COMPLIANCE OFFICER, LDO	Phone (800) 872-0345, EXT 2599
Signature of Above 		Fax (850) 425-6220
Date 04/23/2009	Federal Employer Identification No. 59-1657263	Social Security No. if Sole Proprietor (Voluntary)

TAB 2

REQUIRED FORMS

The vendor must complete and/or include the following required State of Wisconsin forms:

1. **Mandatory Requirements – Appendix B.**
2. **Designation of Confidential and Proprietary Information – Appendix C.**
3. **Standard Terms and Conditions – Appendix D**
4. **Lobbying Form – Appendix E.**
5. **Vendor Information Sheet – Appendix F (DOA-3477)**
6. **Vendor Reference Sheet – Appendix F (DOA-3478).** The vendor must provide three (3) references. The Board will determine which, if any, references to contact to assess the quality of work performed and personnel assigned to the project. The results of any references will be used in scoring proposals as explained in *Part 3.0, Proposal Review and Award Process*.
7. **Privacy of Personal Data/Mitigation of Privacy Breach -- Appendix G**

FBMC has completed each of the required forms and they are included on the following pages.

**Appendix B
RFP #ETI0022**

This appendix must be completed with proposal.

The following requirements are mandatory and must be met by all vendors submitting proposals. Failure to comply with one or more of the mandatory requirements may disqualify the proposal. However, if you disagree with any of the statements below, ETF may consider your proposal provided the issue is addressed in Section A, Part 2.4(b), Transmittal Letter.

ETI0022 MANDATORY REQUIREMENTS		
	Check One	
	Agree	Disagree
1. The vendor has no conflict of interest with regard to any other work performed by the firm for the State of Wisconsin.	X	
2. The vendor adheres to the instructions in this RFP on preparing and submitting the proposal.	X	
3. The vendor has not been suspended or prohibited from performing government work.	X	
4. The vendor has not been the subject of any disciplinary action or inquiry during the past five years.	X	
5. The vendor has provided at least three references for each program as requested in Appendix F.	X	
6. The vendor agrees to meet all contractual requirements as stated in this RFP, including all Appendices.	X	

Appendix C RFP #ETI0022 Designation of Confidential and Proprietary Information

Mandatory – This appendix must be completed with proposal.

STATE OF WISCONSIN
DOA-3027 N(R01/98)

The attached material submitted in response to Proposal #ETI0009 includes proprietary and confidential information which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or is otherwise material that can be kept confidential under the Wisconsin Open Records Law. As such, we ask that certain pages, as indicated below, of this proposal be treated as confidential material and not be released without our written approval.

Prices always become public information when proposals are opened, and therefore cannot be kept confidential.

Other information cannot be kept confidential unless it is a trade secret. Trade secret is defined in s. 134.90(1)(c), Wis. Stats. as follows: "Trade secret" means information, including a formula, pattern, compilation, program, device, method, technique or process to which all of the following apply:

1. The information derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use.
2. The information is the subject of efforts to maintain its secrecy that are reasonable under the circumstances.

IN THE EVENT THE DESIGNATION OF CONFIDENTIALITY OF THIS INFORMATION IS CHALLENGED, THE UNDERSIGNED HEREBY AGREES TO PROVIDE LEGAL COUNSEL OR OTHER NECESSARY ASSISTANCE TO DEFEND THE DESIGNATION OF CONFIDENTIALITY AND AGREES TO HOLD THE STATE HARMLESS FOR ANY COSTS OR DAMAGES ARISING OUT OF THE STATE'S AGREEING TO WITHHOLD THE MATERIALS.

Failure to include this form in the bid/proposal response may mean that all information provided as part of the bid/proposal response will be open to examination and copying. The State considers other markings of confidential in the proposal document to be

insufficient. The undersigned agrees to hold the State harmless for any damages arising out of the release of any materials unless they are specifically identified above.

We request that the following pages from our response to Proposal #ETI0009 not be released (indicate Section, Page # and Topic):

Section	Page #	Topic

Company Name FRINGE BENEFITS MANAGEMENT COMPANY

Authorized Representative

Signature

Authorized Representative

TERRY A. HUME

Type or Print

Date

04/23/2009

This document can be made available in accessible formats to qualified individuals with disabilities.

Appendix D
RFP #ETI0022

**Standard Terms and Conditions
and
Supplemental Standard Terms
And Conditions for
Procurements for Services**

Vendor agrees to the Terms and Conditions as stated in this Appendix D. Exceptions must be listed in the transmittal letter as required in Section A, Part 2.4

Standard Terms and Conditions (Request for Bids / Proposals)

Wisconsin Department of Administration
Chs. 16, 19, 51
DOA-3054 (R10/2005)

SPECIFICATIONS: The specifications in this request are the minimum acceptable. When specific manufacturer and model numbers are used, they are to establish a design, type of construction, quality, functional capability and/or performance level desired. When alternates are bid/proposed, they must be identified by manufacturer, stock number, and such other information necessary to establish equivalency. The State of Wisconsin shall be the sole judge of equivalency. Bidders/proposers are cautioned to avoid bidding alternates to the specifications which may result in rejection of their bid/proposal.

2.0 DEVIATIONS AND EXCEPTIONS: Deviations and exceptions from original text, terms, conditions, or specifications shall be described fully, on the bidder's/proposer's letterhead, signed, and attached to the request. In the absence of such statement, the bid/proposal shall be accepted as in strict compliance with all terms, conditions, and specifications and the bidders/proposers shall be held liable.

3.0 QUALITY: Unless otherwise indicated in the request, all material shall be first quality. Items which are used, demonstrators, obsolete, seconds, or which have been discontinued are unacceptable without prior written approval by the State of Wisconsin.

4.0 QUANTITIES: The quantities shown on this request are based on estimated needs. The state reserves the right to increase or decrease quantities to meet actual needs.

5.0 DELIVERY: Deliveries shall be F.O.B. destination freight prepaid and included unless otherwise specified.

6.0 PRICING AND DISCOUNT: The State of Wisconsin qualifies for governmental discounts and its educational institutions also qualify for educational discounts. Unit prices shall reflect these discounts.

6.1 Unit prices shown on the bid/proposal or contract shall be the price per unit of sale (e.g., gal., cs., doz., ea.) as stated on the request or contract. For any given item, the quantity multiplied by the unit price shall establish the extended price, the unit price shall govern in the bid/proposal evaluation and contract administration.

6.2 Prices established in continuing agreements and term contracts may be lowered due to general market conditions, but prices shall not be subject to increase for ninety (90) calendar days from the date of award. Any increase proposed shall be submitted to the contracting agency thirty (30) calendar days before the proposed effective date of the price increase, and shall be limited to fully documented cost increases to the contractor which are demonstrated to be industrywide. The conditions under which price increases may be granted shall be expressed in bid/proposal documents and contracts or agreements.

6.3 In determination of award, discounts for early payment will only be considered when all other conditions are equal and when payment terms allow at least fifteen (15) days, providing the discount terms are deemed favorable. All payment terms must allow the option of net thirty (30).

7.0 UNFAIR SALES ACT: Prices quoted to the State of Wisconsin are not governed by the Unfair Sales Act.

8.0 ACCEPTANCE-REJECTION: The State of Wisconsin reserves the right to accept or reject any or all bids/proposals, to waive any technicality in any bid/proposal submitted, and to accept any part of a bid/proposal as deemed to be in the best interests of the State of Wisconsin.

Bids/proposals MUST be date and time stamped by the soliciting purchasing office on or before the date and time that the bid/proposal is due. Bids/proposals date and time stamped in another office will be rejected. Receipt of a bid/proposal by the mail system does not constitute receipt of a bid/proposal by the purchasing office.

9.0 METHOD OF AWARD: Award shall be made to the lowest responsible, responsive bidder unless otherwise specified.

10.0 ORDERING: Purchase orders or releases via purchasing cards shall be placed directly to the contractor by an authorized agency. No other purchase orders are authorized.

11.0 PAYMENT TERMS AND INVOICING: The State of Wisconsin normally will pay properly submitted vendor invoices within thirty (30) days of receipt providing goods and/or services have been delivered, installed (if required), and accepted as specified.

Invoices presented for payment must be submitted in accordance with instructions contained on the purchase order including reference to purchase order number and submittal to the correct address for processing.

A good faith dispute creates an exception to prompt payment.

- 12.0 TAXES:** The State of Wisconsin and its agencies are exempt from payment of all federal tax and Wisconsin state and local taxes on its purchases except Wisconsin excise taxes as described below.

The State of Wisconsin, including all its agencies, is required to pay the Wisconsin excise or occupation tax on its purchase of beer, liquor, wine, cigarettes, tobacco products, motor vehicle fuel and general aviation fuel. However, it is exempt from payment of Wisconsin sales or use tax on its purchases. The State of Wisconsin may be subject to other states' taxes on its purchases in that state depending on the laws of that state. Contractors performing construction activities are required to pay state use tax on the cost of materials.

- 13.0 GUARANTEED DELIVERY:** Failure of the contractor to adhere to delivery schedules as specified or to promptly replace rejected materials shall render the contractor liable for all costs in excess of the contract price when alternate procurement is necessary. Excess costs shall include the administrative costs.

- 14.0 ENTIRE AGREEMENT:** These Standard Terms and Conditions shall apply to any contract or order awarded as a result of this request except where special requirements are stated elsewhere in the request; in such cases, the special requirements shall apply. Further, the written contract and/or order with referenced parts and attachments shall constitute the entire agreement and no other terms and conditions in any document, acceptance, or acknowledgment shall be effective or binding unless expressly agreed to in writing by the contracting authority.

- 15.0 APPLICABLE LAW AND COMPLIANCE:** This contract shall be governed under the laws of the State of Wisconsin. The contractor shall at all times comply with and observe all federal and state laws, local laws, ordinances, and regulations which are in effect during the period of this contract and which in any manner affect the work or its conduct. The State of Wisconsin reserves the right to cancel this contract if the contractor fails to follow the requirements of s. 77.66, Wis. Stats., and related statutes regarding certification for collection of sales and use tax. The State of Wisconsin also reserves the right to cancel this contract with any federally debarred contractor or a contractor that is presently identified on the list of parties excluded from federal procurement and non-procurement contracts.

- 16.0 ANTITRUST ASSIGNMENT:** The contractor and the State of Wisconsin recognize that in actual economic practice, overcharges resulting from antitrust violations are in fact usually borne by the State of Wisconsin (purchaser). Therefore, the contractor hereby assigns to the State of Wisconsin any and all claims for such overcharges as to goods, materials or services purchased in connection with this contract.

- 17.0 ASSIGNMENT:** No right or duty in whole or in part of the contractor under this contract may be assigned or delegated without the prior written consent of the State of Wisconsin.

- 18.0 WORK CENTER CRITERIA:** A work center must be certified under s. 16.752, Wis. Stats., and must ensure that when engaged in the production of materials, supplies or equipment or the performance of contractual services, not less than seventy-five percent (75%) of the total hours of direct labor are performed by severely handicapped individuals.

- 19.0 NONDISCRIMINATION / AFFIRMATIVE ACTION:** In connection with the performance of work under this contract, the contractor agrees not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01(5), Wis. Stats., sexual orientation as defined in s. 111.32(13m), Wis. Stats., or national origin. This provision shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Except with respect to sexual orientation, the contractor further agrees to take affirmative action to ensure equal employment opportunities.

- 19.1** Contracts estimated to be over twenty-five thousand dollars (\$25,000) require the submission of a written affirmative action plan by the contractor. An exemption occurs from this requirement if the contractor has a workforce of less than twenty-five (25) employees. Within fifteen (15) working days after the contract is awarded, the contractor must submit the plan to the contracting state agency for approval. Instructions on preparing the plan and technical assistance regarding this clause are available from the contracting state agency.

- 19.2** The contractor agrees to post in conspicuous places, available for employees and applicants for employment, a notice to be provided by the contracting state agency that sets forth the provisions of the State of Wisconsin's nondiscrimination law.

19.3 Failure to comply with the conditions of this clause may result in the contractor's becoming declared an "ineligible" contractor, termination of the contract, or withholding of payment.

20.0 **PATENT INFRINGEMENT:** The contractor selling to the State of Wisconsin the articles described herein guarantees the articles were manufactured or produced in accordance with applicable federal labor laws. Further, that the sale or use of the articles described herein will not infringe any United States patent. The contractor covenants that it will at its own expense defend every suit which shall be brought against the State of Wisconsin (provided that such contractor is promptly notified of such suit, and all papers therein are delivered to it) for any alleged infringement of any patent by reason of the sale or use of such articles, and agrees that it will pay all costs, damages, and profits recoverable in any such suit.

21.0 **SAFETY REQUIREMENTS:** All materials, equipment, and supplies provided to the State of Wisconsin must comply fully with all safety requirements as set forth by the Wisconsin Administrative Code and all applicable OSHA Standards.

22.0 **WARRANTY:** Unless otherwise specifically stated by the bidder/proposer, equipment purchased as a result of this request shall be warranted against defects by the bidder/proposer for one (1) year from date of receipt. The equipment manufacturer's standard warranty shall apply as a minimum and must be honored by the contractor.

23.0 **INSURANCE RESPONSIBILITY:** The contractor performing services for the State of Wisconsin shall:

23.1 Maintain worker's compensation insurance as required by Wisconsin Statutes, for all employees engaged in the work.

23.2 Maintain commercial liability, bodily injury and property damage insurance against any claim(s) which might occur in carrying out this agreement/contract. Minimum coverage shall be one million dollars (\$1,000,000) liability for bodily injury and property damage including products liability and completed operations. Provide motor vehicle insurance for all owned, non-owned and hired vehicles that are used in carrying out this contract. Minimum coverage shall be one million dollars (\$1,000,000) per occurrence combined single limit for automobile liability and property damage.

23.3 The state reserves the right to require higher or lower limits where warranted.

24.0 **CANCELLATION:** The State of Wisconsin reserves the right to cancel any contract in whole or in part without penalty due to nonappropriation of funds or for failure of the contractor to comply with terms, conditions, and specifications of this contract.

25.0 **VENDOR TAX DELINQUENCY:** Vendors who have a delinquent Wisconsin tax liability may have their payments offset by the State of Wisconsin.

26.0 **PUBLIC RECORDS ACCESS:** It is the intention of the state to maintain an open and public process in the solicitation, submission, review, and approval of procurement activities.

Bid/proposal openings are public unless otherwise specified. Records may not be available for public inspection prior to issuance of the notice of intent to award or the award of the contract.

27.0 **PROPRIETARY INFORMATION:** Any restrictions on the use of data contained within a request, must be clearly stated in the bid/proposal itself. Proprietary information submitted in response to a request will be handled in accordance with applicable State of Wisconsin procurement regulations and the Wisconsin public records law. Proprietary restrictions normally are not accepted. However, when accepted, it is the vendor's responsibility to defend the determination in the event of an appeal or litigation.

27.1 Data contained in a bid/proposal, all documentation provided therein, and innovations developed as a result of the contracted commodities or services cannot be copyrighted or patented. All data, documentation, and innovations become the property of the State of Wisconsin.

27.2 Any material submitted by the vendor in response to this request that the vendor considers confidential and proprietary information and which qualifies as a trade secret, as provided in s. 19.36(5), Wis. Stats., or material which can be kept confidential under the Wisconsin public records law, must be identified on a Designation of Confidential and Proprietary Information form (DOA-3027). Bidders/proposers may request the form if it is not part of the Request for Bid/Request for Proposal package. Bid/proposal prices cannot be held confidential.

28.0 DISCLOSURE: If a state public official (s. 19.42, Wis. Stats.), a member of a state public official's immediate family, or any organization in which a state public official or a member of the official's immediate family owns or controls a ten percent (10%) interest, is a party to this agreement, and if this agreement involves payment of more than three thousand dollars (\$3,000) within a twelve (12) month period, this contract is voidable by the state unless appropriate disclosure is made according to s. 19.45(6), Wis. Stats., before signing the contract. Disclosure must be made to the State of Wisconsin Ethics Board, 44 East Mifflin Street, Suite 601, Madison, Wisconsin 53703 (Telephone 608-266-8123).

State classified and former employees and certain University of Wisconsin faculty/staff are subject to separate disclosure requirements, s. 16.417, Wis. Stats.

29.0 RECYCLED MATERIALS: The State of Wisconsin is required to purchase products incorporating recycled materials whenever technically and economically feasible. Bidders are encouraged to bid products with recycled content which meet specifications.

30.0 MATERIAL SAFETY DATA SHEET: If any item(s) on an order(s) resulting from this award(s) is a hazardous chemical, as defined under 29CFR 1910.1200, provide one (1) copy of a Material Safety Data Sheet for each item with the shipped container(s) and one (1) copy with the invoice(s).

31.0 PROMOTIONAL ADVERTISING / NEWS RELEASES: Reference to or use of the State of Wisconsin, any of its departments, agencies or other subunits, or any state official or employee for commercial promotion is prohibited. News releases pertaining to this procurement shall not be made without prior approval of the State of Wisconsin. Release of broadcast e-mails pertaining to this procurement shall not be made without prior written authorization of the contracting agency.

32.0 HOLD HARMLESS: The contractor will indemnify and save harmless the State of Wisconsin and all of its officers, agents and employees from all suits, actions, or claims of any character brought for or on account of any injuries or damages received by any persons or property resulting from the operations of the contractor, or of any of its contractors, in prosecuting work under this agreement.

33.0 FOREIGN CORPORATION: A foreign corporation (any corporation other than a Wisconsin corporation) which becomes a party to this Agreement is required to conform to all the requirements of Chapter 180, Wis. Stats., relating to a foreign corporation and must possess a certificate of authority from the Wisconsin Department of Financial Institutions, unless the corporation is transacting business in interstate commerce or is otherwise exempt from the requirement of obtaining a certificate of authority. Any foreign corporation which desires to apply for a certificate of authority should contact the Department of Financial Institutions, Division of Corporation, P. O. Box 7846, Madison, WI 53707-7846; telephone (608) 261-7577.

34.0 WORK CENTER PROGRAM: The successful bidder/proposer shall agree to implement processes that allow the State agencies, including the University of Wisconsin System, to satisfy the State's obligation to purchase goods and services produced by work centers certified under the State Use Law, s. 16.752, Wis. Stat. This shall result in requiring the successful bidder/proposer to include products provided by work centers in its catalog for State agencies and campuses or to block the sale of comparable items to State agencies and campuses.

35.0 FORCE MAJEURE: Neither party shall be in default by reason of any failure in performance of this Agreement in accordance with reasonable control and without fault or negligence on their part. Such causes may include, but are not restricted to, acts of nature or the public enemy, acts of the government in either its sovereign or contractual capacity, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes and unusually severe weather, but in every case the failure to perform such must be beyond the reasonable control and without the fault or negligence of the party.

State of Wisconsin
Department of Administration
DOA-3681 (01/2001)
ss. 16, 19 and 51, Wis. Stats.

Division of Agency Services
Bureau of Procurement

**SUPPLEMENTAL STANDARD TERMS AND CONDITIONS
For PROCUREMENTS FOR SERVICES**

- 1.0 ACCEPTANCE OF BID/PROPOSAL CONTENT:** The contents of the bid/proposal of the successful contractor will become contractual obligations if procurement action ensues.
- 2.0 CERTIFICATION OF INDEPENDENT PRICE DETERMINATION:** By signing this bid/proposal, the bidder/proposer certifies, and in the case of a joint bid/proposal, each party thereto certifies as to its own organization, that in connection with this procurement:
- 2.1** The prices in this bid/proposal have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other bidder/proposer or with any competitor;
- 2.2** Unless otherwise required by law, the prices which have been quoted in this bid/proposal have not been knowingly disclosed by the bidder/proposer and will not knowingly be disclosed by the bidder/proposer prior to opening in the case of an advertised procurement or prior to award in the case of a negotiated procurement, directly or indirectly to any other bidder/proposer or to any competitor; and
- 2.3** No attempt has been made or will be made by the bidder/proposer to induce any other person or firm to submit or not to submit a bid/proposal for the purpose of restricting competition.
- 2.4** Each person signing this bid/proposal certifies that: He/she is the person in the bidder's/proposer's organization responsible within that organization for the decision as to the prices being offered herein and that he/she has not participated, and will not participate, in any action contrary to 2.1 through 2.3 above; (or)
- He/she is not the person in the bidder's/proposer's organization responsible within that organization for the decision as to the prices being offered herein, but that he/she has been authorized in writing to act as agent for the persons responsible for such decisions in certifying that such persons have not participated, and will not participate in any action contrary to 2.1 through 2.3 above, and as their agent does hereby so certify; and he/she has not participated, and will not participate, in any action contrary to 2.1 through 2.3 above.
- 3.0 DISCLOSURE OF INDEPENDENCE AND RELATIONSHIP:**
- 3.1** Prior to award of any contract, a potential contractor shall certify in writing to the procuring agency that no relationship exists between the potential contractor and the procuring or contracting agency that interferes with fair competition or is a conflict of interest, and no relationship exists between the contractor and another person or organization that constitutes a conflict of interest with respect to a state contract. The Department of Administration may waive this provision, in writing, if those activities of the potential contractor will not be adverse to the interests of the state.
- 3.2** Contractors shall agree as part of the contract for services that during performance of the contract, the contractor will neither provide contractual services nor enter into any agreement to provide services to a person or organization that is regulated or funded by the contracting agency or has interests that are adverse to the contracting agency. The Department of Administration may waive this provision, in writing, if those activities of the contractor will not be adverse to the interests of the state.
- 4.0 DUAL EMPLOYMENT:** Section 16.417, Wis. Stats., prohibits an individual who is a State of Wisconsin employee or who is retained as a contractor full-time by a State of Wisconsin agency from being retained as a contractor by the same or another State of Wisconsin agency where the individual receives more than \$12,000 as compensation for the individual's services during the same year. This prohibition does not apply to individuals who have full-time appointments for less than twelve (12) months during any period of time that is not included in the appointment. It does not include corporations or partnerships.
- 5.0 EMPLOYMENT:** The contractor will not engage the services of any person or persons now employed by the State of Wisconsin, including any department, commission or board thereof, to provide services relating to this agreement without the written consent of the employing agency of such person or persons and of the contracting agency.

6.0 CONFLICT OF INTEREST: Private and non-profit corporations are bound by ss. 180.0831, 180.1911(1), and 181.0831 Wis. Stats., regarding conflicts of interests by directors in the conduct of state contracts.

7.0 RECORDKEEPING AND RECORD RETENTION: The contractor shall establish and maintain adequate records of all expenditures incurred under the contract. All records must be kept in accordance with generally accepted accounting procedures. All procedures must be in accordance with federal, state and local ordinances.

The contracting agency shall have the right to audit, review, examine, copy, and transcribe any pertinent records or documents relating to any contract resulting from this bid/proposal held by the contractor. The contractor will retain all documents applicable to the contract for a period of not less than three (3) years after final payment is made.

8.0 INDEPENDENT CAPACITY OF CONTRACTOR: The parties hereto agree that the contractor, its officers, agents, and employees, in the performance of this agreement shall act in the capacity of an independent contractor and not as an officer, employee, or agent of the state. The contractor agrees to take such steps as may be necessary to ensure that each subcontractor of the contractor will be deemed to be an independent contractor and will not be considered or permitted to be an agent, servant, joint venturer, or partner of the state.

Appendix E
RFP #ETI0022

Lobbying Form

**Mandatory –
This appendix must be completed with proposal.**

LOBBYING FORM

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers over \$100,000 (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Person means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

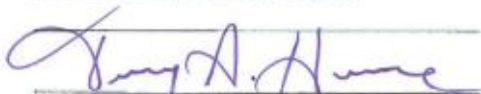
Contract # and Name: ETI0022 Employee Reimbursement Accounts & Commuter Benefits Program

Company Name and Address:

Fringe Benefits Management Company (FBMC)

3101 Sessions Road

Tallahassee, Florida 32303



Signature

Authorized Company Representative

April 23, 2009

Date

Terry A. Hume

Name printed

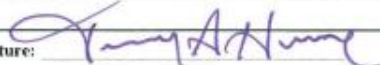
DISCLOSURE OF LOBBYING ACTIVITIES FORM

Approved by OMB

0345-0046

Reproduced by DWD/DWSBIDS

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance <p style="text-align: right;">NONE</p>		2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post award <p style="text-align: center;">NONE</p>		3. Report Type: <input type="checkbox"/> a. initial filing NONE <input type="checkbox"/> b. material change For Material Change Only: Year _____ quarter _____ Date of last report _____	
4. Name and Address of Reporting Entity: <input type="checkbox"/> Principal <input type="checkbox"/> Subawardee Title _____, if known: Congressional District, if known: NONE			5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: NONE Congressional District, if known:		
6. Federal Department/Agency: NONE			7. Federal Program Name/Description: CFDA Number, if applicable: NONE		
8. Federal Action Number, if known: NONE			9. Award Amount, if known: \$ N/A		
10. a. Name and Address of Lobbying Entity (if individual, last name, first name, MI): NONE			10. b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI): NONE		
11. Amount of Payment (check all that apply): \$ N/A <input type="checkbox"/> actual <input type="checkbox"/> planned			13. Type of Payment (check all that apply): <input type="checkbox"/> a. retainer <input type="checkbox"/> b. one-time fee <input type="checkbox"/> c. commission <input type="checkbox"/> d. contingent fee <input type="checkbox"/> e. deferred <input type="checkbox"/> f. other, specify: _____ N/A		
12. Form of Payment (check all that apply): N/A <input type="checkbox"/> a. cash <input type="checkbox"/> b. in-kind, specify: nature _____ value _____					
14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employee(s), or Member(s) contacted, for Payment indicated in Item 11: N/A					
15. Continuation Sheet(s) SF LLL-A attached: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No X					
16. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the firm above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.				Signature:  Print Name: TERRY A. HUME Title: BID COMPLIANCE OFFICER, LDO Tele. No.: (800) 872-0345 Date: 04/23/09 EXT 2599	

DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET

0348-0046
(cont.)

Reporting Entity: FRINGE BENEFITS MANAGEMENT COMPANY Page 2 of 2

INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limit to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks (Subawardee), then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonable expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

Appendix F
RFP #ETI0022

**Vendor Information
and Reference Sheets**

**Mandatory –
This appendix must be completed with proposal.**

STATE OF WISCONSIN
DOA-3477 (R05/98)
VENDOR INFORMATION

1. **BIDDING / PROPOSING COMPANY NAME** Fringe Benefits Management Company (FBMC)
- FEIN** 59-1657263
- Phone** (850) 425-6200 **Toll Free Phone** (800) 872-0345
- FAX** (850) 425-6220 **Email Address** asheffield@fbmc.com
- Address** 3101 Sessions Road
- City** Tallahassee **State** FL **Zip + 4** 32303-2874
2. **Name the person to contact for questions concerning this bid / proposal.**
- Name** April Sheffield, CFC **Title** Account Manager
- Phone** (850) 425-6200; Blackberry (850) 491-1285 **Toll Free Phone** (800) 872-0345, ext. 2180
- FAX** (850) 425-6220 **Email Address** asheffield@fbmc.com
- Address** 1601 Essington Court
- City** Nampa **State** ID **Zip + 4** 83686-8954
3. **Any vendor awarded over \$25,000 on this contract must submit affirmative action information to the department. Please name the Personnel / Human Resource and Development or other person responsible for affirmative action in the company to contact about this plan.**
- Name** Barbara Hinson **Title** Assistant Vice President,
Quality & Business Performance
- Phone** (850) 425-6220, ext. 2621 **Toll Free Phone** (800) 872-0345, ext. 2621
- FAX** (850) 425-6220 **Email Address** bhinson@fbmc.com
- Address** 3101 Sessions Road
- City** Tallahassee **State** FL **Zip + 4** 32303-2874
4. **Mailing address to which state purchase orders are mailed and person the department may contact concerning orders and billings.**
- Name** Fred Anderson, CPA **Title** Vice President, Accounting
- Phone** (850) 425-6200, ext. 2446 **Toll Free Phone** (800) 872-0345, ext. 2446
- FAX** (850) 425-6220 **Email Address** fanderson@fbmc.com
- Address** 3101 Sessions Road
- City** Tallahassee **State** FL **Zip + 4** 32303-2874
5. **CEO / President Name** Lorraine Strickland

This document can be made available in accessible formats to qualified individuals with disabilities.

STATE OF WISCONSIN
DOA-3478 (R12/96)

VENDOR REFERENCE
EMPLOYEE REIMBURSEMENT
ACCOUNTS PROGRAM

FOR VENDOR: Fringe Benefits Management Company (FBMC)

Company Name State of South Carolina, Employee Insurance Program (EIP)

Address (include Zip + 4) 1201 Main Street, Suite 300, Columbia, South Carolina 29201-3230

Contact Person Robin Tester, Manager, EIP **Phone No.** (803) 734-1228

Product(s) and/or Service(s) Used Flexible Spending Account (FSA) Administration, including payment Card, web-enrollment, Health Savings Account (HSA) Administration. Eligibles:189,015, Participants: 20,835 FSA; 1,735 HSA

Company Name State of California, Department of Personnel Administration

Address (include Zip + 4) 1515 South Street, North Building, Suite 400, Sacramento, California 95811-7258

Contact Person Susan Coats, Flex Elect Coordinator **Phone No.** (916) 327-6429

Product(s) and/or Service(s) Used FSA Administration. Eligibles: 180,000, Participants: 9,482

Company Name State of Ohio,
Department of Administrative Services

Address (include Zip + 4) 30 East Broad Street, 27th Floor, Columbus, Ohio 43215-3414

Contact Person LaVerne Johnson, Benefits Manager **Phone No** (614) 466-6833

Product(s) and/or Service(s) Used FSA Administration, including payment Card, Qualified Transportation Benefits (QTB) Administration. Eligibles: 61,118, Participants: 4,309 FSA; 6,229 QTB

Company Name _____

Address (include Zip + 4) _____

Contact Person _____

Phone No. _____

Product(s) and/or Service(s) Used _____

This document can be made available in accessible formats to qualified individuals with disabilities.

**STATE OF WISCONSIN
DOA-3478 (R12/96)**

**VENDOR REFERENCE
COMMUTER BENEFITS PROGRAM**

FOR VENDOR: Fringe Benefits Management Company (FBMC)

Company Name City and County of San Francisco, Department of the Environment

Address (include Zip + 4) 11 Grove Street, San Francisco, California 94102-4702

Contact Person Faiz Kahn, Transportation Demand Manager **Phone No.** (415) 355-3734

Product(s) and/or Service(s) Used Qualified Transportation Benefits (QTB) Administration.
Eligibles: 27,500, Participants:3,513

Company Name State of Ohio, Department of Administrative Services

Address (include Zip + 4) 30 East Broad Street, 27th Floor, Columbus, Ohio 43215-3414

Contact Person LaVerne Johnson, Benefits Manager **Phone No.** (614) 466-6833

Product(s) and/or Service(s) Used QTB Administration, Flexible Spending Account (FSA) Administration,
including Card. Eligibles: 61,118, Participants: 6,229 QTB, 4,309 FSA

Company Name St. Louis County Government

Address (include Zip + 4) Benefits Office, Administration Building Annex, 5th Floor,
41 South Central Ave., Clayton, Missouri 63105-1755

Contact Person Sue Kane, Benefits Manager **Phone No** (314) 615-8113

Product(s) and/or Service(s) Used QTB Administration, FSA Administration, including the Card
Eligibles: 5,000, Participants: <100

Company Name _____

Address (include Zip + 4) _____

Contact Person _____ **Phone No.** _____

Product(s) and/or Service(s) Used _____

This document can be made available in accessible formats to qualified individuals with disabilities.

APPENDIX G

PRIVACY OF PERSONAL DATA
MITIGATION OF PRIVACY BREACH

In the course of providing services as set forth in the proposal, the contractor may have access to extensive personal information regarding participants in the Wisconsin Retirement System (WRS) and other persons who receive health insurance benefits through the Department of Employee Trust Funds. The vendor whose proposal is accepted must comply with the provisions of this appendix.

It is the intent of this appendix to set forth privacy requirements of the vendor in carrying out the Contract for the administration of the Employee Reimbursement Accounts and Commuter Benefits programs (“Underlying Contract”) in addition to those set forth in the proposal, and mitigation requirements of the vendor in the event of a data breach. The appendix uses terms defined in the Health Insurance Portability and Accountability Act of 1996 (45 CFR Parts 160 to 164) as well as Wisconsin Law. This Agreement also addresses compliance with Wisconsin laws on confidentiality of Personal Information.

DEFINITIONS

As used in this appendix, the words and terms defined in this section, unless the context otherwise requires, have the meanings ascribed to them in this section.

“Individual Personal Information” has the meaning set forth in Wis. Admin. Code § ETF 10.70 (1).

“Medical Record” has the meaning set forth in Wis. Admin. Code § ETF 10.01 (3m).

“Personal Information” has the meaning set forth in Wis. Stat. § 895.507.

“Protected Health Information” has the meaning set forth in 45 C.F.R. § 160.103.

“User Account Information” means log on information for ETF databases and systems.

OBLIGATIONS OF VENDOR

- A. AUTHORIZED USES AND DISCLOSURES:** The vendor may use or disclose Personal Information or Protected Health Information it creates for, receives from or is provided access to by ETF or any business partner of ETF only for the purposes of carrying out the Underlying Contract.
- B. PROHIBITED USES AND DISCLOSURES:** The vendor will neither use nor disclose Personal Information or Protected Health Information it creates for, receives from or is provided access to by ETF or any business partner of ETF except as authorized or required by this appendix, the Underlying Contract or as required by law or authorized in writing by ETF.
- C. COMPLIANCE WITH REGULATIONS:** The Vendor will comply with all applicable state and federal laws relating to privacy of information, including, without limitation, Wis. Stats. §§ 40.07 and 895.507. In particular, the Vendor shall not disclose to any third party Individual Personal Information which ETF may not disclose pursuant to Wis. Stat. §40.07(1) or Medical Records that ETF may not disclose pursuant to Wis. Stat. §40.07(2).
- D. INFORMATION SAFEGUARDS:** The vendor will develop, implement, maintain and use reasonable and appropriate administrative, technical and physical safeguards to preserve the integrity and confidentiality of User Account Information, Personal Information, Protected Health Information, any information accessed with User Account Information under the control of the vendor and to prevent prohibited use or disclosure of User

Account Information, Personal Information or Protected Health Information. The vendor will document and keep these safeguards current and furnish documentation of the safeguards to ETF upon request.

E. REPORTING OF IMPROPER USE OR DISCLOSURE AND BREACHES:

- 1.** The vendor will report to ETF any use or disclosure of Individual Personal Information, Medical Records, Personal Information or Protected Health Information under the control of the vendor not allowed by this agreement at the time the vendor learns of such prohibited use or disclosure.
- 2.** The vendor will report to ETF any security incident of which the vendor becomes aware that directly and materially involves User Account Information, Personal Information, Medical Records or Protected Health Information under the control of the vendor within three (3) business days after becoming aware of the incident. For the purposes of this subsection, “directly and materially involves” means direct access to Personal Information, Individual Personal Information, Medical Records or Protected Health Information under the control of the vendor that is not allowed by the underlying contract or this appendix.

F. DUTY TO MITIGATE EFFECT OF MISUSE OR UNAUTHORIZED DISCLOSURE AND NOTIFY MEMBERS OF UNAUTHORIZED ACQUISITION:

- 1.** The vendor will mitigate, to the extent practicable, any harmful effect that is known to the vendor of improper use, unauthorized disclosure or security incident reported pursuant to subsection E of this section. If ETF determines that the provision of credit-monitoring services is necessary to mitigate the misuse, unauthorized disclosure or security incident, the vendor will bear the full cost of the provision of these services.
- 2.** The vendor will comply with the provisions of Wis. Stat. §895.507 and any subsequently adopted law regarding mitigation of privacy breaches, and shall ensure that any subcontractor or agent with whom it contracts to carry out the provisions of the underlying contract also complies with the provisions of Wis. Stat. §895.507 and any subsequently adopted law regarding mitigation of privacy breaches.

G. MINIMUM NECESSARY: The vendor will make reasonable efforts to use, disclose, access or request only the minimum amount of information necessary to carry out the underlying contract. Internal disclosure, access to and use of such information by employees of the vendor shall be limited to those employees who need the information and only to the extent necessary to perform their responsibilities according to the underlying contract and this appendix.

H. DISCLOSURE TO SUBCONTRACTORS AND AGENTS: The vendor shall require all of its agents or subcontractors to provide reasonable assurance, evidenced by written contract, that the agent or subcontractor will comply with the same privacy and security obligations as the vendor with respect to the underlying contract and this appendix.

TAB 3

**RESPONSE TO PROPOSAL QUESTIONS
AND STATEMENTS**

Provide a point-by-point response to each and every proposal question in the sections of this RFP outlined below. Responses to questions must restate the question or statement and be in the same sequence and numbered as they appear in this RFP. Use tab separations for each section. Provide a succinct explanation of how each requirement is addressed. The RFP sections that require a response are:

- Section B--Proposer Qualifications
- Section C--Administration of the Employee Reimbursement Accounts and Commuter Benefits programs.

All proposers must respond to the following by restating each question or statement and providing a detailed written response. Instructions for formatting the written response to the section are found in Section A., Part 2.0 Preparing and Submitting a Proposal.

PROPOSER QUALIFICATIONS

Part 1.0 Organization Capabilities

The vendor must have the ability to administer the ERA and Commuter Benefits programs, respond to and maintain compliance with applicable laws, regulations, rules and policies and provide efficient and effective liaison with the Department. The vendor must provide services to all state agencies and University of Wisconsin campuses with a total of approximately 65,000 eligible employees. Answers to the following questions should address your organization's ability to administer both the Wisconsin Employee Reimbursement Accounts program and the Commuter Benefits program. The Department reserves the right to request additional information to verify your company's financial status.

- 1.1 Company's name, home office, address of the office providing services under the contract and the telephone number, fax number and e-mail addresses for individuals who will be providing services under the contract.**

Fringe Benefits Management Company
3101 Sessions Road
Tallahassee, FL 32303
(800) 872-0345
(850) 425-6220 (Fax)

Key individuals who will be providing services under the contract:

April Sheffield, CFC
Account Manager
(800) 872-0345, ext 2180
(850) 425-6220 (Fax)
asheffield@fbmc.com

Susan A. Jones
Vice President, Client Services
(800) 872-0345, ext 2116
(850) 425-6220 (Fax)
sjones@fbmc.com

Scott Mixon
Assistant Vice President, Client Services
(800) 872-0345, ext 2115
(850) 425-6220 (Fax)
smixon@fbmc.com

Bill Aye
Client Liaison
7818 Big Sky Drive, Suite 210A
Madison, WI 53719
(608) 829-0435
(608) 829-0008 (Fax)
baye@fbmc.com

1.2 Provide information about your company's principal business, information about your company's ownership, number of employees, number of offices and locations. Include any pending plans for your company's expansion, relocation, consolidation, merger, acquisition, or sale.

FBMC's only business is benefits management and administration. We provide the following *benefit administration services* for our public and private-sector employer clients:

- Flexible Spending Accounts (FSA)
- Qualified Transportation Benefits (QTB - §132)
- Health Reimbursement Arrangements (HRA)
- Health Savings Accounts (HSA)
- COBRA & Retiree Premium Billing Remittance
- Cafeteria Plans (§125)
- Pre- and post-tax Voluntary Benefits
- Self-Funded Medical, Dental, Vision & Prescription Drug Coverage
- 401(k) and 403(b)
- Dependent Eligibility Verification & Audit
- Internet Enrollment Services
- Voluntary Benefits Management; Consulting (Brokerage Services)
- Individual Health and Life Insurance products through our website

FBMC is a Type C Corporation, domiciled in Florida with headquarters in Tallahassee. We are a nationwide benefits manager and administrator for large-group employers, licensed to conduct business in every state and have approximately 358 employees.

The current majority ownership of the company is held by employees of the company and the Employee Stock Ownership Trust (ESOT).

We are independent, with clients from Alaska to Vermont. Our clients range from large state governments (like California and New York) and school districts (including five of the largest 15 in the nation), to mid-size employers such as hospitals and technology companies. We are international in scope, with customers in over 25 countries.

We are headquartered in Tallahassee, FL but also have an office in Ormond Beach, FL. Additionally, for direct, local support of our client's needs, we maintain satellite offices in Miami, Florida; Jacksonville, Florida; West Palm Beach, Florida; Little Rock, Arkansas; Madison, Wisconsin; Greenville, South Carolina, Nampa, Idaho and Charleston, West Virginia.

FBMC has no pending plans for company expansion, relocation, consolidation, merger, acquisition or sale.

1.3 Provide a description of any and all contracts currently held by your company with State of Wisconsin agencies, including the University of Wisconsin and related public authorities or entities. The response must identify the entity, describe the services provided, and identify the length of the contract including the start date.

FBMC has existing contracts with the State of Wisconsin, ETF, for the services that are being solicited in this RFP.

FBMC's contract with ETF for the FSA program began 1/1/1990, and 1/1/2002 for the QTB program.

The agencies (payroll entities) currently included in these contracts include:

- Central Payroll
- Milwaukee District Attorneys
- Independent (Legislature)
- Peterson (University of Wisconsin)
- University Hospital
- WHEDA (Wisconsin Housing & Economic Development Authority)
- WHEFA (Wisconsin Health & Educational Facilities Authority)
- Wiscraft
- HIRSP Authority
- Boundary Commission

1.4 Is your company authorized to do business in the State of Wisconsin? (Vendors who do not currently meet this requirement must provide evidence showing that the company will comply with this requirement before entering into a contract with the Board.)

Yes.

1.5 Provide information about past contract performance. The response must include specific detailed information regarding legal action(s), including pending actions, taken against your company in the past three (3) years, for:

a) Any and all situations where your company has defaulted on a contract to administer a benefit plan.

Throughout its history, FBMC has *never* had a contract canceled by a client nor have any of its clients had a regulatory problem or penalty as a result of its guidance and services.

b) Any and all litigation regarding contracts to administer a benefit plan.

FBMC has no previous or pending lawsuits, legal actions or governmental investigations with respect to the administrative services it provides.

c) Any and all situations where a contract has been canceled or where a contract was not renewed due to alleged fault on the part of your company.

FBMC has never had a contract canceled due to alleged or actual fault on the part of FBMC.

1.6 General Program Experience

a) Provide details of your company's experience servicing clients with multiple employers and a variety of payroll systems. Include a list of clients for whom your company administers similar benefit programs with multiple employers and multiple payroll systems.

FBMC has been servicing clients with multiple employers and payroll systems since 1989.

The following FBMC clients have similar programs with multiple employer and multiple payroll systems:

- *State of Arkansas* – eight payroll systems
- *State of South Carolina* - One of our largest state FSA clients with more than 189,000 employees and 643 separate payroll centers
- *Commonwealth of Virginia* – 11 payroll systems
- *State of West Virginia* – 80 payroll systems

Typically, each payroll center operates independently and on different platforms. For example, the State of South Carolina has over 20 different file layouts that are utilized to exchange eligibility and payroll data. Data exchange occurs on a variable frequency determined by each payroll centers' pay schedule (the State of South Carolina has over 600 pay schedules. In 2008, there were 7,026 payroll exchanges received from the State of South Carolina.) If any discrepancy occurs, an Exception report will be generated and sent to each work locations' administrative personnel for research and correction.

Approximately 30 new entities enter the South Carolina benefits program each year.

Most of our clients welcome new work locations which want to enter the program during the Plan Year. FBMC initiates activities for a new entity upon receipt of notification. An administrative welcome package is provided which includes enrollment forms and instructions that outline established policies and procedures.

b) Describe your company's experience with administering flexible spending account benefits. Provide a summary that includes the number of years that your company has provided such services, number and type (governmental or private) of clients, the total number of eligible employees, and the total number of actual participants that your company currently serves. Identify those clients who are large employers with multiple payroll processing centers.

FBMC currently serves public and private-sector clients that have FSA programs for a combined, approximate two-million employees, nearly 200,000 of whom are FSA participants.

FBMC has been providing benefit services to private and public-sector employers since 1976; administering §125 plans since 1983; FSAs since 1986, full-service COBRA since 1989; a payment Card since 2000; Commuter Benefits since 2002; Self-Funded Medical since 2003; HRAs since 2004 and HSAs beginning in 2005.

Our FSA clients include 11 state governments and five of the 15 largest school districts in the nation.

FBMC has approximately 2,000,000 eligible employees and 180,000 FSA participants, of which approximately 60,000 utilize our payment Card.

We have extensive experience providing *FSA administration* services for state governments. We have cited some examples below:

<i>State</i>	<i>Contract Effective Date</i>	<i>Eligible Employees</i>	<i>Participants</i>
Arkansas	01/01/1990	28,000	2,400
Florida (Convergys)	01/01/2004	170,000	14,400
New York	01/01/1991	225,000	19,700
South Carolina	01/01/2003	189,000	20,835
Virginia	01/01/1998	88,770	12,850

The following large employer clients have similar programs with multiple employer and multiple payroll systems:

- *State of Arkansas* – eight payroll systems
- *State of South Carolina* - One of our largest state FSA clients with 190,000 employees and 643 separate payroll centers
- *Commonwealth of Virginia* – 11 payroll systems
- *State of West Virginia* – 80 payroll systems

c) Describe your company’s experience with administering qualified transportation benefit programs. Provide a summary that includes the number of years that your company has provided such services, number and type (governmental or private) of clients, the total number of eligible employees, and the total number of actual participants that your company currently serves. Identify those clients who are large employers with multiple payroll processing centers.

FBMC has been administering Commuter Benefit programs since 2002. We currently provide administration of QTB programs for the States of Illinois, Ohio and Wisconsin. The Commonwealth of Pennsylvania, the City & County of San Francisco, the County of Los Angeles and St. Louis County Government also rely on our administration for their commuter programs, all of which involve a combined 491,000 eligible employee population and approximately 10,000 participants.

We offer QTB administration in partnership with Accor Services, to provide the enrollment, transit pass and direct pay parking management.

Accor Services is the only company nationwide that is dedicated solely to the specialty of transportation benefits. They collaborate with third-party administrators nationwide to offer cutting-edge solutions for the administration of pre-tax transportation benefits. Accor Services offers benefit administrators a program that is fully-compliant with IRS guidelines.

Accor Services offers a full range of commuter products, including fare cards, transit vouchers, direct pay parking and parking vouchers. Their network is nationwide, including more than 320 transit authorities and more than 9,000 parking locations. There are over 150,000 types of available passes, vouchers and payments.

Accor Services was founded in 1999 and its headquarters is located at 51 Water Street, Watertown, Massachusetts. They also have an office in San Diego, California, San Mateo, California and Chicago, Illinois.

Our QTB client, the City and County of San Francisco, has 27,500 eligible employees and 3,510 participants. They have a similar program with multiple employer and/or multiple payroll systems.

Our clients include:

<i>Entity</i>	<i>Contract Effective Date</i>	<i>Eligible Employees</i>	<i>Participants</i>
Illinois	01/01/2004	132,000	2,770
Los Angeles, County of	01/01/2009	100,000	new program
Ohio, State of	01/01/2008	61,000	2,130
Pennsylvania, Comm of	01/01/2009	80,000	new program
San Francisco, City/Co.	01/01/2007	27,500	3,510

Part 2.0 Staff Qualifications

2.1 Provide an organizational chart or charts that indicate current or proposed positions assigned to both the ERA program and the Commuter Benefits program, at the local and home office level.

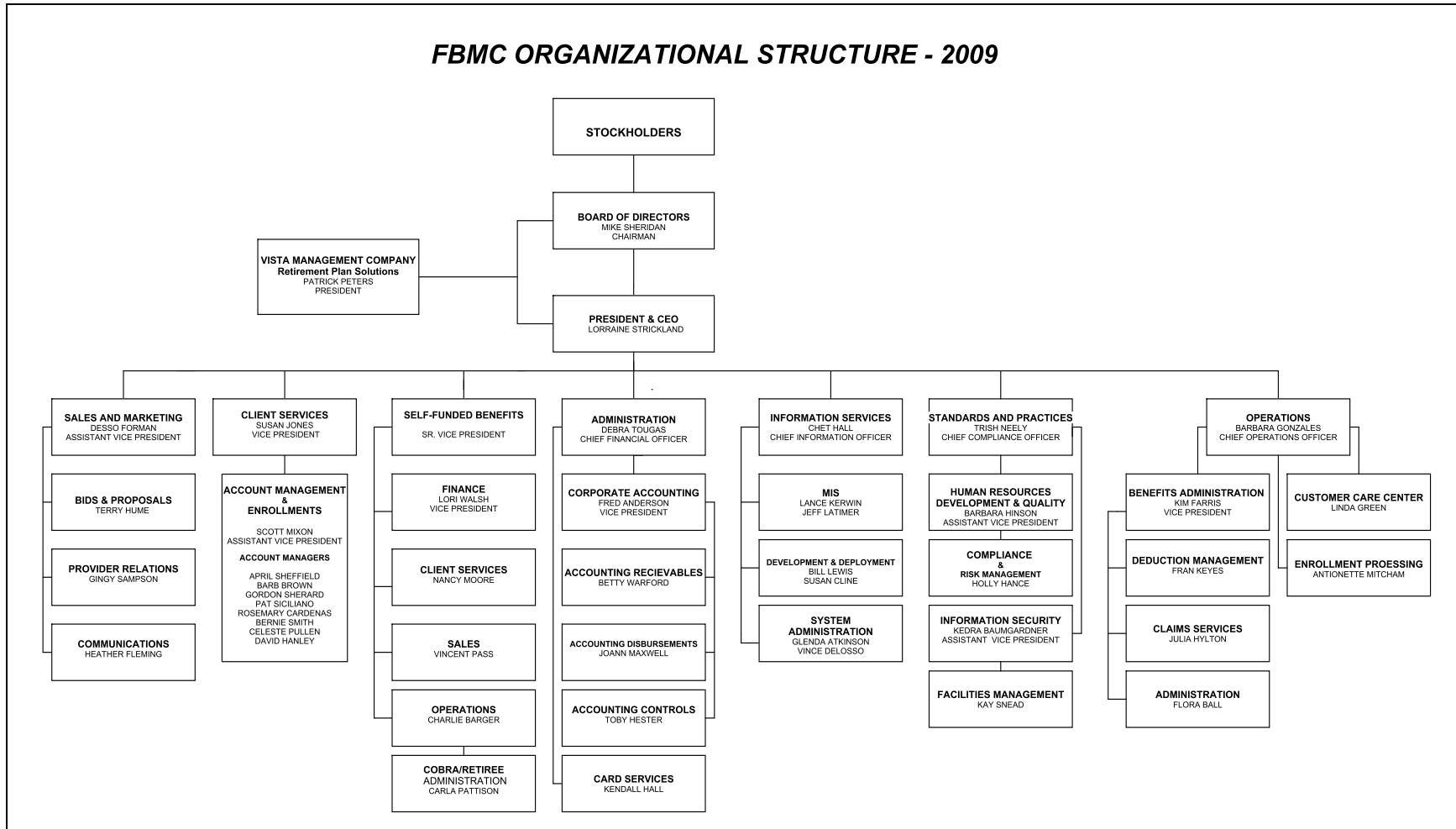
We have included an organizational chart following this listing of the key individuals that are assigned to the implementation and administration of the Wisconsin FSA and QTB programs, at the local and home office levels.

- *Client Services, Susan A. Jones, Vice President*
 - Account Management and Enrollments, Scott Mixon, Assistant Vice President
 - April Sheffield, CFC, Account Manager
 - Gina Robertson, Client Services Specialist
 - Bill Aye, on-site Client Liaison
 - Enrollment Management
 - Jennifer Victorine, Manager
- *Administration, Debra Tougas, CPA, Chief Financial Officer*
 - Card Services, Kendall Hall, Manager
 - 9 staff members
 - Accounting, Fred Anderson, CPA, Vice President
 - Accounting Receivables, Betty Watford, Team Leader
 - Accounting Disbursements, Joann Maxwell, Team Leader
- *Operations, Barbara Gonzales, CEBS, Chief Financial Officer*
 - Customer Care, Linda Green, Manager
 - 49 Customer Care Specialists
 - Benefits Administration, Kim Farris, Vice President
 - Deduction Management, Fran Keyes, Manager
 - Kellie Wilson, Sr. Account Specialist
 - Kimberly Christie, Team Leader
 - Claims Services, Julia Hylton, Manager
 - 25 Claims Examiners
 - Claims Administration, Flora Atkins-Ball, Manager
 - 7 Mail Processors
 - Enrollment Processing
 - Antoinette Mitcham, Team Leader

-
- Standards & Practices, Trish Neely, CFCI, Chief Compliance Officer
 - Corporate Compliance and Risk Management, Holly Hance, Administrator
 - Regulatory Compliance – Muriel Etienne
 - Information Security, Kedra Baumgardner, Assistant Vice President
 - Information Services, Chet Hall, Chief Information Officer
 - MIS, Jeff Latimer, Team Leader
 - Deployment & Development, Bill Lewis, PMO Manager
 - Application Development, Susan Cline, Manager
 - System Administration, Glenda Atkinson, Manager
 - Sales & Marketing, Desso Forman, CDHC, Assistant Vice President
 - Communications, Heather Fleming, Manager
 - Self-Funded Benefits
 - Benefits Continuation, Debbie Smith, Manager
 - 10 staff members

An FBMC organizational chart is included on the following page.

FBMC ORGANIZATIONAL STRUCTURE - 2009



2.2 Will hiring additional staff be necessary to accommodate the Wisconsin program? If so, how many and in what areas?

No, FBMC does not anticipate the need to hire additional staff.

2.3 Identify key staff members who would have responsibility for the day-to-day operation of the plans. Identify the duties and scope of authority for each of the key staff who will be responsible for managing the programs. Include information about their professional qualifications and work experience in the following areas: customer service, service to participating employers, enrollments, claims processing, information technology and data processing, accounting, and legal services.

The key staff members that will be engaged in the day-to-day operation of the plans are included in the tables on the following pages, followed by brief profiles and resumes.

FBMC Staff Assigned for the Implementation and Administration of the State of Wisconsin

FBMC FUNCTIONAL TEAM	OFFICER	OTHER PERSONNEL	RESPONSIBILITIES
<u>CLIENT SERVICES</u>	SUSAN JONES sjones@fbmc.com		CONTRACT MANAGEMENT AND SUPERVISION; CLIENT SATISFACTION; ENROLLMENT SERVICES
		<u>FUNCTIONAL TEAMS:</u>	
ACCOUNT MANAGEMENT	SCOTT MIXON, CGBA smixon@fbmc.com	APRIL SHEFFIELD, CFC, ACCOUNT MANAGER asheffield@fbmc.com BILL AYE, ON-SITE CLIENT LIAISON baye@fbmc.com GINA ROBERTSON, CLIENT SERVICES SPECIALIST	ACCOUNT LEADERSHIP AND SUPERVISION; KEY CLIENT CONTACTS; ON-SITE CUSTOMER AND CLIENT SERVICES
ENROLLMENT MANAGEMENT	SCOTT MIXON, CGBA smixon@fbmc.com	JENNIFER VICTORINE, MANAGER jvictorine@fbmc.com	WEB AND PAPER ENROLLMENT COORDINATION
<u>OPERATIONS</u>	BARBARA GONZALES bgonzales@fbmc.com		OVERSIGHT OF CUSTOMER CARE, COBRA AND ENROLLMENT PROCESSING
		<u>FUNCTIONAL TEAMS:</u>	
CUSTOMER CARE	BARBARA GONZALES bgonzales@fbmc.com	LINDA GREEN, MANAGER lgreen@fbmc.com 3 TEAM LEADERS 49 CUSTOMER CARE SPECIALISTS	ESTABLISH CUSTOMER CARE; IVR AND WEB ACCESS; CLAIMS/ENROLL APPEALS PROCEDURES
ENROLLMENT PROCESSING	BARBARA GONZALES bgonzales@fbmc.com	ANTOINETTE MITCHAM, TEAM LEADER amitcham@fbmc.com	LOADING OR DATA ENTRY OF ENROLLMENT ELECTIONS; WELCOME KITS

FBMC Staff Assigned for the Implementation and Administration of the State of Wisconsin

FBMC FUNCTIONAL TEAM	OFFICER	OTHER PERSONNEL	RESPONSIBILITIES
<u>BENEFITS ADMINISTRATION</u>	KIM FARRIS kfarris@fbmc.com		PROCESS CLAIMS AND MANAGE PAYROLL DEDUCTION PROCESSES
		<u>FUNCTIONAL TEAMS:</u>	
DEDUCTION MANAGEMENT	KIM FARRIS kfarris@fbmc.com	FRAN KEYES, MANAGER fkeyes@fbmc.com KIMBERLY CHRISTIE, TEAM LEADER KELLIE WILSON, SR. ACCOUNT SPECIALIST	ESTABLISH DEDUCTION SCHEDULES, CONTACTS, AND PROCEDURES; LOAD, RECONCILE AND POST DEDUCTIONS
CLAIMS SERVICES	KIM FARRIS kfarris@fbmc.com	JULIA HYLTON, MANAGER jhylton@fbmc.com 2 TEAM LEADERS 29 CLAIMS EXAMINERS	IMPLEMENT CLAIMS ADJUDICATION PROCEDURES; IDENTIFY ANY CLIENT-SPECIFIC NUANCES THAT EFFECT CLAIM ADJUDICATION
CLAIMS ADMINISTRATION	KIM FARRIS kfarris@fbmc.com	FLORA ATKINS-BALL, MANAGER fball@fbmc.com 8 MAIL PROCESSORS	IDENTIFY ANY FSA MAIL OR FAX PROCESSING ISSUES TO ASSURE THE TEAM IS PREPARED TO PROCESS INCOMING CLAIMS
<u>SELF-FUNDED BENEFITS</u>		CHARLIE BARGER, MANAGER	
BENEFITS CONTINUATION	BARBARA GONZALES bgonzales@fbmc.com	DEBBIE SMITH, MANAGER dsmith@fbmc.com	COBRA AND RETIREE ADMINISTRATION SERVICES

FBMC Staff Assigned for the Implementation and Administration of the State of Wisconsin

FBMC FUNCTIONAL TEAM	OFFICER	OTHER PERSONNEL	RESPONSIBILITIES
<u>ADMINISTRATION</u>	DEBRA TOUGAS, CPA dtougas@fbmc.com		FUNDS DISBURSEMENTS (CLAIMS AND PREMIUMS) AND RECEIVABLES (FEES); BANKING SERVICES; CLAIMS SERVICES; DEDUCTION MANAGEMENT SERVICES; CARD SERVICES; BENEFITS CONTINUATION SERVICES
		<u>FUNCTIONAL TEAMS:</u>	
CARD SERVICES	DEBRA TOUGAS, CPA dtougas@fbmc.com	KENDALL HALL, MANAGER khall@fbmc.com 9 STAFF MEMBERS	CARD IMPLEMENTATION AND MANAGEMENT
<u>ACCOUNTING</u>	FRED ANDERSON, CPA fanderson@fbmc.com		ESTABLISH BANK ACCOUNT; ESTABLISH PROCEDURES FOR FSA FUNDS DEPOSITS; IMPLEMENT ANY FINANCIAL REQUIREMENTS OF CONTRACT; FSA DISBURSEMENTS
		<u>FUNCTIONAL TEAMS:</u>	
ACCOUNTING DISBURSEMENTS	FRED ANDERSON, CPA fanderson@fbmc.com	JOANN MAXWELL, TEAM LEADER jmaxwell@fbmc.com	DISBURSEMENTS OF CLAIMS VIA CHECKS AND DIRECT DEPOSIT; DISBURSEMENTS OF PREMIUMS TO PROVIDERS
ACCOUNTING RECEIVABLES	FRED ANDERSON, CPA fanderson@fbmc.com	BETTY WATFORD, TEAM LEADER bwatford@fbmc.com	RECEIPT AND POSTING OF INCOMING FEES AND OTHER SOURCES OF REVENUE

FBMC Staff Assigned for the Implementation and Administration of the State of Wisconsin

FBMC FUNCTIONAL TEAM	OFFICER	OTHER PERSONNEL	RESPONSIBILITIES
<u>INFORMATION SERVICES</u>	CHET HALL chall@fbmc.com		IMPLEMENTATION OF SYSTEMS MODIFICATIONS NEEDED TO MEET CLIENT REQUIREMENTS; WEB ENROLLMENT; PROGRAMMING MODIFICATIONS; IMPLEMENTATION OF DATA SERVICES
		<u>FUNCTIONAL TEAMS:</u>	
DEPLOYMENT & DEVELOPMENT (IMPLEMENTATION)	CHET HALL chall@fbmc.com	BILL LEWIS, MANAGER blewis@fbmc.com BRENT HUGHES, BUSINESS ANALYST	IMPLEMENTATION OF DATA EXCHANGE FORMATS AND PROCESSES; PROJECT MANAGEMENT
MIS	CHET HALL chall@fbmc.com	JEFF LATIMER, TEAM LEADER jlatimer@fbmc.com	OUTSOURCING THE OPERATION OF CRITICAL BUSINESS SYSTEMS
SYSTEM ADMINISTRATION	CHET HALL chall@fbmc.com	GLENDA ATKINSON, MANAGER gatkinson@fbmc.com	HARDWARE AND SOFTWARE SUPPORT FOR FBMC USERS AND CLIENTS
<u>STANDARDS & PRACTICES</u>	TRISH NEELY, CFCI tneely@fbmc.com	CHIEF COMPLIANCE AND HIPAA COMPLIANCE OFFICER	REVIEW PLAN DOCUMENTS; MONITOR AND REPORT REGULATORY ISSUES; HIPAA PRIVACY AND SECURITY
		<u>FUNCTIONAL TEAMS:</u>	
CORPORATE COMPLIANCE	TRISH NEELY, CFCI tneely@fbmc.com	HOLLY HANCE, ADMINISTRATOR hhance@fbmc.com	CORPORATE LICENSING & INSURANCE, NON-DISCRIMINATION TESTING
REGULATORY COMPLIANCE	TRISH NEELY, CFCI tneely@fbmc.com	MURIEL ETIENNE, REGULATORY COMPLIANCE SPECIALIST metienne@fbmc.com	RESEARCH REGULATORY ISSUES
INFORMATION SECURITY	TRISH NEELY, CFCI tneely@fbmc.com	KEDRA BAUMGARDNER, ASSISTANT VICE PRESIDENT kbaumgardner@fbmc.com	HIPAA SECURITY AND PRIVACY

FBMC Staff Assigned for the Implementation and Administration of the State of Wisconsin

FBMC FUNCTIONAL TEAM	OFFICER	OTHER PERSONNEL	RESPONSIBILITIES
<u>SALES & MARKETING</u>	DESSO FORMAN dforman@fbmc.com		MARKETING FBMC SERVICES; SALE OF FBMC SERVICES; COMMUNICATIONS TO PROSPECTS AND PARTICIPANTS; MANAGEMENT OF PROVIDER RELATIONS & BROKERAGE
		<i><u>FUNCTIONAL TEAMS:</u></i>	
COMMUNICATIONS	DESSO FORMAN dforman@fbmc.com	HEATHER FLEMING, MANAGER hflaming@fbmc.com RIK BIST, SR. COPYWRITER MARIA STEPHENS, SR. GRAPHIC ARTIST	COMMUNICATION MATERIALS DEVELOPMENT; FORMS DEVELOPMENT; MATERIALS DISTRIBUTION

Client Services

Susan A. Jones

Vice President of Client Services

Susan received her education at Florida State University and continued her professional development through FBMC's Management Training Program. She joined FBMC in 1978 and now leads the Client Services Team, which is responsible for building client relationships. Susan supervises staffing, enrollments, benefit and service enhancements and renewal negotiations. She previously managed FBMC's account for Miami-Dade County Public Schools (the nation's fourth largest school district). Susan also managed the accounts for the States of Michigan, Wisconsin and California. She also served as Manager for the Customer Care Team, the FSA Department, Third-Party Administration and Benefits Continuation.

Scott Mixon, CGBA

Assistant Vice President

Scott received a BS in Business Administration: Personnel Organizational Theory Management, from the University of Central Florida in Orlando. He is a Certified Government Benefits Administrator (CGBA) with the State and Local Government Benefits Association (SALGBA), where he also acts as a Committee Member and Associate Board Member. Scott began serving with FBMC in 1996, as a Senior Systems Management Analyst, directing, implementing and monitoring system implementation of §125 plans. After 13 years directly engaged in FSA program support and account management, he now supervises those services which include enrollments, benefits and communications consultation and benefit/service enhancements.

April Sheffield, CFC

Account Manager, Client Services

April studied Accounting and Finance at Florida State University after earning her AA at Tallahassee Community College. Her previous experience as a Paralegal, COBRA Analyst, Document Control Coordinator and Project Analyst/Implementation Coordinator provided a sturdy foundation for her FBMC commitment which began in 2006. April currently directs and coordinates activities of the Client Services Teams, always focusing on client satisfaction for services that include new case development, implementation, enrollment, renewal and benefit/service enhancements. She is Certified in Flexible Compensation (CFC) through the Employers Council on Flexible Compensation (ECFC) and a Certified COBRA Administrator. April is a Delta Zeta Alpha Sigma Chapter Executive Board, Standards Chair and a member of the Daughters of the American Revolution, Caroline Brevard Chapter.

Operations

Barbara Gonzales, CEBS, GBA, HIAA

Chief Operations Officer

Barbara oversees many of the teams that provide administrative services for Flexible Spending Accounts

Barbara received an AS degree in Business Administration at the Columbus State University in Georgia. She holds both the Certified Employee Benefits Specialist (CEBS) and Group Benefits Associate (GBA) designations through the co-sponsorship of the Wharton School of Business and the International Foundation of Employee Benefit Plans. Barbara joined the FBMC Team in 2003. She is responsible for leading the company's Customer Care, Commuter Benefits and

Enrollment Processing teams. She has more than 27 years of experience in government and private-sector employee benefits administration, including directing the State of Florida's \$900 million group insurance program.

Customer Care

Linda Green

Team Manager

Linda received her BA in Fine Arts at the University of Tampa and her AA in Accounting at Florida State University. She has been with FBMC since 1993 and currently supervises the Customer Care staff; her responsibilities include strategic, organizational planning, policy development and implementation. Linda provides leadership and daily supervision, develops process improvements to enhance service delivery and improve customer satisfaction. She also conducts research, analysis and studies administrative programs and operations for customers. Linda previously coordinated the administrative functions and activities of our retirement plan solutions. Linda previously served as the Corporate Administrator for Florida for 14 years with Toshiba America, Copitech. She received FBMC's Sales Employee of the Year Award (1998) and the Administrative Employee of the Year Award (1997).

Benefits Administration

Kim Farris

Vice President

Kim oversees all consolidated billing and flexible spending account activities. Kim received her education through FBMC's Systems Management Training and Management Career Development Programs. She joined FBMC in 1988 and has served in various positions of progressive importance ever since. Kim currently oversees all Claims Administration, Deduction Management and Consolidated Billing activities. Her excellence has been recognized many times and she was named FBMC's Manager of the Year (1998), Employee of the Year (1992), Corporate and Systems Services Employee of the Year (1992) and Manager of the Year (1989). Kim's community affiliation includes Partners for Excellence.

Deduction Management

Fran Keyes

Team Manager

Fran received his BBA in Accounting at Western New England College. He has more than 25 years of experience in both private and public-sectors with measurable achievements in financial accounting, cost accounting and business administration. Since 2004, Fran has directed the activities of FBMC's Deduction Management Team engaged in premium reconciliation and processing to provider companies. He receives, loads, monitors and maintains employee eligibility and payroll deduction data files and produces and transmits data files for updating client records. Fran also maintains employee and employer leave accounting records, reconciles monies expected with monies received, produces discrepancy reports, conducts research and resolves issues with clients and posts (remits) deduction information to providers and FSA accounts. He also directs the activities of FBMC's Premier initiatives.

Claims Services

Julia Hylton

Team Manager

Julia supervises the daily operations of claims processing for all Tax-Favored Accounts. She assures accurate and timely adjudication of claims within the established guidelines & requirements of the IRS, clients and FBMC.

Julia received her BS in Risk Management & Insurance at Florida State University, her AS in Business Management at Tallahassee Community College and her AS in Consumer Services (Nutrition) at the Jamaica School of Agriculture. Julia has been with FBMC since 1989. She previously served FBMC as Team Leader for the TFA Department, where she supervised and coordinated personnel activities, including instruction, assignments, progress monitoring and daily work flow maintenance. She was FBMC's Senior FSA Examiner in the TFA Department and served as liaison to Client Accounting and other departments.

Claims Administration

Flora Atkins-Ball

Team Manager

Flora supervises administrative functions for the Claims Team, including mail, faxes, Customer Care inquiries, client reporting and audits, W-2 reporting, forfeiture reporting and reconciliation of returned checks.

Flora received specialized training at Tallahassee Community College. She has been with FBMC since 1990 and previously served in a variety of roles, including Quality Assurance Specialist, Team Leader, Senior Flexible Spending Account (FSA) Claims Examiner and as a Specialist with Deduction Management. Flora has extensive knowledge of claims adjudication procedures and verifies that these processes are being performed in compliance with established regulatory guidelines.

Administration

Debra Tougas, CPA

Chief Financial Officer

Debra received a BA from Stetson University, in Florida, an MBA from Florida State University and is a Certified Public Accountant (CPA). Since joining the FBMC Team in 1990, she has had responsibility for the overall management of all of FBMC's financial activities, including the development and management of budgets, cash flow projections, financial reporting, forecasting and capital and non-capital expenditures. Debra is also responsible for receipts, disbursements and financial reporting to clients and all internal controls related to client account activity. She has extensive financial experience with government agencies and private-sector companies. Debra is a member of the Florida Institute of Public Accountants and holds a Financial Principal License from the National Association of Securities Dealers (NASD).

Accounting

Fred Anderson, CPA

Vice President

Fred holds a BA in Accounting from Dillard University, in New Orleans, Louisiana and is a licensed CPA in Florida, Louisiana and Texas. Fred joined the FBMC Team in 1992. He is responsible for day-to-day client and corporate accounting operations, which include budget and

bookkeeping systems, account analysis, bank reconciliations, payroll, collection of accounts receivables and preparation of monthly financial packages. He oversees the development and implementation of cash control procedures for all clients, including set-up, maintenance and reconciliation of all accounts. Fred is also responsible for all banking procedures and fund receipt and disbursement. He previously served as an Accounts Payable Supervisor, a Senior Cost Accountant and a Senior Accountant for Exxon.

Card Services

Kendall Hall, CFC
Team Manager

Kendall received her AS from Brevard College in North Carolina. Since 2002, she has designed and developed applications for FBMC's payment Cards and provides training on Card functionality, both internally and externally. Kendall ensures the quality of data received from Card processors and Pharmacy Benefits Managers for all transactions performed and maintains quality relationships with third-party providers. Kendall previously served in design, development, implementation and management of stored-value platforms on Smart Cards with a leading Smart Card Company for fully-intergraded Smart Card applications, including logical security, ID cards, stored-value, physical access, back-end transaction processing, "storing" college tuitions, financial aid money for books and expenses, meal plan offerings and bank partnering for a combination of ATM and stored-value purchases for on- and off-campus merchant programs. Kendall holds certification with the Project Management Institute, is Certified in Flexible Compensation (CFC) through the Employers Council on Flexible Compensation (ECFC), received FBMC's *Manager of the Year Award* (2006) and *Excellence Award* (2004).

Information Services

Chet Hall
Chief Information Officer

Chet received his BS in Management Information Systems (MIS) at Florida State University's College of Business and his AA in Math and Technology at Tallahassee Community College, in Tallahassee, Florida. He Joined the FBMC team in 2006 and is responsible for technology platforms and system processes that support FBMC's business activities. Chet also explores new technologies for future planning and potential implementation. Chet has over 25 years of experience as a technology and business executive. He previously served as Lead Electrician for both Conventional and Nuclear Power for the U.S. Navy. Chet is a member of the Tallahassee Technology Alliance Board of Directors, and served as a Technology Executive Roundtable Chairman and is a managing member of the Local Business Development Organization.

Development and Deployment

Bill Lewis
Manager, Project Management Office

Bill completed 640 hours of COBOL programmer training at a private institution and Accounting and Information Systems coursework at Springfield Technical Community College and Holyoke Community College in Massachusetts. He has over 20 years of professional experience in both staffing and consulting roles in a variety of business and technical environments, primarily developing web-based, client/server and mainframe application software for major health and

other insurance industry organizations. Bill joined FBMC in 1999 and is the subject-area expert in project management processes, concepts and process improvement initiatives.

He is responsible for all application delivery and client implementation activities, including prioritization, budgeting and scheduling. He directs the Business Analysts and Developers that comprise the Information Technology Team. Bill previously developed applications that facilitated the development of software to support new Tax-Favored Account products, including Tax-Sheltered Annuities, Health Reimbursement Arrangements and Health Savings Accounts.

Application Design and Development

Susan Cline

Team Leader

Susan graduated with Data-Processing and Programming technical skills from Lively Vocational and Technical Center in Tallahassee, Florida. She has been with FBMC since 1990 and currently assists with the operation of critical business systems, which include design, development and maintenance of the systems that keep FBMC operating day to day; phone, IVR, corporate-wide area, network/local area network, desktop computer support, file servers, web servers, the Common Remitter application and databases, web and B121 enrollments and myFBMC CardSM applications and processing. Susan also co-facilitates the Project Management Office, which handles system modifications for client requirements, web and IVR enrollment programming modifications.

MIS

Jeff Latimer

Team Leader

Jeff is responsible for ensuring the operation of critical business systems at FBMC with the entire Information Services Division, which encompasses the following functional teams; Information Services, Application Development, MIS and Systems Administration. Jeff leads MIS, which was created to serve the needs of the FBMC user groups. He offers support to the Design and Developers teams to research and gather information on development requests.

System Administration

Glenda Atkinson

Team Manager

Glenda holds an Associates Degree in Science and Networking Services Technology and currently oversees planning, acquisition, implementation and maintenance of information technology systems and processes that support FBMC's business activities. She procures all information technology equipment and software in a cost-effective manner. Glenda explores new technologies for future planning and potential implementation and leads the company's information technology strategies and priorities in IT operations, hardware, disaster recovery and voice and data communication. Before joining FBMC in 2003, Glenda served for 20 years with the State of Florida, working in both business and IT related fields.

Standards & Practices

Trish Neely, CFCI

Chief Compliance Officer, HIPAA Privacy Officer

Trish holds a BS in Psychology from the Clarion University of Pennsylvania. She has over 20 years experience in benefits administration and tax law and is a Certified Flexible Compensation

Instructor (CFCI) with the Employer's Council on Flexible Compensation (ECFC). Trish has been with FBMC since 1987 and is currently responsible for corporate governance, legal and regulatory compliance, quality assurance, standards of business performance, as well as corporate training, employee development and human resources. She is an author and editor of FBMC's *Quarterly Review* newsletter, an active member of the International Association of Privacy Professionals and International Foundation of Employee Benefit Professionals. Trish has testified before the IRS on regulatory matters and meets regularly with other attorneys, benefit consultants and IRS officials on topics germane to benefits management and administration.

Regulatory Compliance

Muriel Etienne, CFC

Regulatory Compliance Specialist

Muriel received her BS in Computer and Information Systems at Florida A&M University in Tallahassee, Florida. She began working with FBMC in 2004 as a Data Analyst and then a Management Analyst, now she is responsible for the preparation and review of client plan documents. Muriel provides regulatory guidance associated with Cafeteria Plans, Flexible Spending Accounts, Health Savings Accounts, Health Reimbursement Arrangements and Qualified Transportation Benefits. She also manages compliance training needs throughout the company, including introduction of new policies and annual training conducted to review amendments made to state and federal regulations. Muriel is Certified in Flexible Compensation (CFC) through the Employers Council on Flexible Compensation (ECFC), an H&R Block Tax Preparation Associate and holds certification in the Microsoft Project 2003 Web Access and the Sybase Education Services, Adaptive Server Enterprise.

Compliance and Risk Management

Holly Hance

Administrator

Holly received her AA from Northern Virginia Community College. She has provided Corporate & Risk Management for FBMC since 1989. Holly administers FBMC's legal obligations, ensuring compliance with corporate, TPA and agency licensing requirements nationally. She acts as Corporate Insurance Team Leader, meets client contract insurance requirements and maintains corporate records. She plans, directs and coordinates all compliance programs and activities and plans and manages the budget. Holly also supervises Non-Discrimination Testing and performs evaluations of plan benefits appropriately.

Information Security

Kedra Baumgardner

Assistant Vice President, HIPAA Security Officer

Kedra received her BS in Communications at Florida State University and served as a Public Affairs/Information Specialist for the U.S. Army. She joined the FBMC Team in 1991. Kedra oversees and manages corporate risk, including information and physical security, audits and compliance with HIPAA security regulations. She leads FBMC's Corporate Emergency Management Team and is responsible for coordination and supervision of acquisition activities such as due diligence and integration. Kedra previously served as the Assistant Vice President of Information Systems and in various other positions related to information technology. She has over 19 years of experience in quality assurance and information systems.

Sales & Marketing

Desso Forman, CDHC
Assistant Vice President

Desso received his BS in Education from the University of West Florida in Pensacola. He joined FBMC in 2008 after serving as a Sales and Relationship Manager for several nationwide insurance companies and managing agents in multiple state regions. He has many years experience preparing financial statements, reviewing performance and adjusting incomes. Desso's previous development of career advancement training and continuing education for account executives prepared him for his current focus on private-sector sales and supervision of Communications and Provider Relations for Sales & Marketing. He is professionally affiliated with the Life Underwriters Training Council (LUTC).

Communications

Heather Fleming
Team Manager

Heather Majored in Photography and Cinema at Ohio State University, Majored in Visual Communications at Florida State University and received Apple MacIntosh Diagnostic Training from The MacGuys. She has been with FBMC since 1992 and currently supervises her staff as Senior Graphic Artist, where she designs, copy writes, produces and distributes enrollment and marketing materials. Heather also coordinates advertising campaigns, designs and leads implementation of new processes and departmental policies, conducts educational staff development for new hires on processes and software uses, coordinates production schedules and reviews processes and annual case budgets for 40 to 45 cases. She is responsible for planning, tracking and managing a one-million dollar budget, establishing and maintaining client relationships and advising staff of contractual regulations with various vendors, printers, benefit providers, clients and customers. She also supervises distribution and tracks inventory.

Benefits Continuation

Debbie Smith
Team Manager

Debbie's education centered in Business Accounting, Business Math and Office Automation. She has served FBMC since 1990 and is responsible for overall functional operations of the COBRA and Retiree benefits premium billing and accounting administration. Debbie is responsible for the overall functional operations of the COBRA and Retiree benefits premium billing and accounting administration. She continuously searches for new ways to be more efficient with the flow of information between systems. Debbie previously served as a Management Analyst in Implementation.

Accor Services (QTB subcontractor) profiles follow:

Gerard Bridi
Executive Vice President, Commuter Benefits

Gerard began his education in France, where he received an MS in Engineering and Biotechnology from ISIM-ENSAM and a Master of Science in Food Technology from ISIM in Montpellier. He also studied Business Administration at the University of Montpellier. Gerard continues to increase his knowledge in Marketing & Competitive Strategy at Babson College in Wellesley, Massachusetts; Mergers & Acquisitions at the Wharton School of Business in

Philadelphia, Pennsylvania and Negotiation at Harvard University, MIT in Cambridge, Massachusetts. After serving over 25 years in service management and 18 years managing numerous public and private businesses, he joined Accor Services in 2003 as the Executive Vice President and led the organization through its current high-growth mode. Gerard is currently the Subject-Area Expert in the areas of strategic planning, business development and partnership building and is a Board Member for the National Transit Benefit Association.

Gregg R. Gross

Vice President of Channel Sales

Gregg received his Associate of Arts and Bachelor of Science degrees in Business Administration at Rider University in Lawrenceville, New Jersey. He joined Accor Services in 2006 and currently manages enrollment, transit pass and direct pay parking management, sales and partner coordination. Gregg previously acted in numerous capacities for Automatic Data Processing (ADP) in Rockville, Maryland; District Manager, Senior District Manager and Sales Training Manager, after his internship in ADP's Princeton, New Jersey office. Gregg is a Certified FAA Private Pilot and the Founding Father of the Sigma Phi Epsilon Fraternity.

Meltem Korkmazel

Vice President of Operations

Meltem began her education in the Republic of Turkey, where she received a Bachelor of Science in Mechanical Engineering (Design & Manufacturing) and a Master of Science in Mechanical Engineering (Robotics) from the Middle East Technical University. She then received her Master of Business Administration from the Northeastern University in Boston, Massachusetts. Meltem began her career as a Manufacturing Engineer in Turkey and then served as a Design Engineer before coming to the United States. She worked as a Business Analyst for Parametric Technology Corporation and then as a Financial Consultant and Retail Sales Program Manager for the Massachusetts Bay Transportation Authority (MBTA) in Boston. Meltem joined Accor Services in 2007 and now oversees the Service Delivery, Quality, Customer Service and Client Management Teams. She is a member of the American Public Transportation Association (APTA) and the American Society of Mechanical Engineers (ASME).

We have included resumes for key FBMC staff members on the following pages.

SUSAN A. JONES

Title

- Client Services, Vice President

Work Experience

- **With FBMC since 1978**
 - Supervises the Client Services Team with new case development, implementation, enrollment, renewal and enhancement.
- Served previously as:
 - Account Manager for Miami-Dade County Public Schools (45,000 employees), State of Michigan (55,000 employees), the State of Wisconsin (65,000 employees) and the State of California (170,000 employees)
 - Manager, Customer Service Team
 - Manager, Flexible Spending Account Department
 - Manager, Third-Party Administration
 - Manager, COBRA Retiree

Education

- Manager Training Program, FBMC
- Undergraduate Studies, Florida State University, Tallahassee, Florida

Professional & Community

- Michael H. Sheridan Sales Award, FBMC, 2003
- Manager of the Year, FBMC, 1999
- Manager of the Year, FBMC, 1992
- Employee of the Year, FBMC, 1990
- Staff Employee of the Year, FBMC, 1990
- Employee of the Year, FBMC, 1984
- Member, Tallahassee Garden Club
- Volunteer, American Cancer Society

APRIL SHEFFIELD, CFC

Title

- Account Manager, Client Services

Work Experience

- **With FBMC since 2006**
 - Currently directs and coordinates activities of the Client Services Teams, focusing on client satisfaction for services that include new case development, implementation, enrollment, renewal and benefit/service enhancements
- **Previous experience includes:**
 - Four years with benefits administration firm based in San Diego, CA
 - Project Analyst/Implementation Coordinator – Management of new §125 and COBRA administration client set-ups
 - Document Control Coordinator – Responsible for preparation and tracking of all Administrative Services Agreements and §125 Plan Documents. Provided compliance guidance to staff, clients and brokers in understanding with respect to employer benefits programs involving §125, 129 and 105 regulations
 - COBRA Analyst – Account management of 30+ COBRA and/or Retiree administration clients
 - Paralegal for three years with Tallahassee law firm

Education

- Accounting and Finance Major, Florida State University, Tallahassee, FL
- Associate of Arts, Tallahassee Community College, Tallahassee, FL, Dean's List

Professional & Community

- Certified in Flexible Compensation (CFC)
- Certified COBRA Administrator, HRcertification.com
- Delta Zeta Alpha Sigma Chapter Executive Board, Standards Chair
- Daughters of the American Revolution, Caroline Brevard Chapter
- Former Notary Public in the states of Florida and California
- Legislative Intern for Florida State Senator, John Grant
- National Honor Society

SCOTT MIXON, CGBA

Title

- Assistant Vice President, Client Services

Work Experience

- **With FBMC since 1996**
 - Supervises account management services for state governments and other public sector clients with a continual focus on client satisfaction. Providing system implementation, enrollment-related activities, benefits consulting, communications consulting and benefits/service enhancements.
- **Previous experience includes:**
 - Four years as Senior Systems Management Analyst for FBMC, directing, implementing and monitoring system implementation of Section 125 benefits plans
 - 17 years of experience in finance and project management

Education

- BS, Business Administration: Personnel Organizational Theory Management University of Central Florida, Orlando, Florida
- State and Local Government Benefits Association (SALGBA) Certified Government Benefits Administrator

Professional & Community

- Associate Board Member, Board of Directors, SALGBA
- Associate Member, SALGBA
- CGBA Committee Member, SALGBA
- Former Chairman, Board of Directors, Buckeye Community Federal Credit Union
- Member, Board of Directors, Doctors Memorial Regional Hospital, Taylor County, Florida
- Member, Board of Directors, Air Medic Services, LLC
- Member, Rotary International
- Michael H. Sheridan Sales Employee of the Year, FBMC, 1997

BILL AYE

Title

- Client Liaison, State of Wisconsin

Work Experience

- **Employed by FBMC since 1998**
 - Responsible for providing service to client and assisting agencies and employees with program administration and benefits matters
 - Scheduling and coordinating representation at benefit fairs and/information sessions throughout the state
 - Reviewing, evaluating and processing Change In Status requests
- **Previous experience includes:**
 - Extensive experience in life and health insurance as an Agent, District Agent, Assistant General Agent and General Agent, involving personal sales, recruiting, training and field supervision of agents. Served several years as “Specialist” for agencies in the areas of Tax-Sheltered Annuities, Small Group Life/Health, and Disability Income products and sales. Nine years experience in life insurance company home offices.

Education

- BA in Business Administration – Kansas State University
- Numerous specialized training classes & seminars, including LIMRA Management School, Xerox PSS and Wilson Learning Systems

Professional & Community

- Member, U. S. Olympic Men’s Basketball Committee
- Member, U. S. Jaycee’s National Coordinating Council for Individual Development Programs
- National Advisory Board for Model Inmate Employment Project (Washington, D. C.)
- Former President, Topeka Association of Life Underwriters
- Former Ethics Chairman for Kansas State Association of Life Underwriters

BARBARA L. GONZALES, CEBS, GBA, HIAA

Title

- Chief Operations Officer

Work Experience

- **With FBMC since 2003**
 - Overall responsibility for Customer Care, Benefits Continuation and Enrollment Processing Teams
 - Subject-area expert in federal legislation impacting employee benefit plans, such as ERISA, HIPAA, COBRA, FMLA and §125. Knowledgeable about federal taxation issues affecting defined benefit pension plans, defined contribution plans and executive compensation programs. Specialized training in internal audit procedures and risk management concepts
- **Previous experience includes:**
 - 26 years experience in government and private sector employee benefits administration, including group health plans, dental and vision, life and disability, FSA/HRA/HSA administration, voluntary benefit plans, flexible benefit plans and retirement plans
 - Former Director for the state group insurance program for the State of Florida. Managed a \$900 million budget with responsibility for procuring and administering benefit plans for more than 190,000 state employees and retirees

Education

- AS, Business Administration, Columbus State University, Columbus, Georgia
- Certified Employee Benefits Specialist (CEBS) designation through International Foundation of Employee Benefit Plans (IFEBC)
- Group Benefits Associate (GBA) designation and Certificate in Public Plan Policy for Group Health Plans from the Wharton School of Business and the International Foundation of Employee Benefit Plans, Health Insurance Association of America (HIAA) Certificate in group life and health insurance
- Graduate of Philip Crosby Quality Management Training

Professional & Community

- Soroptimist International of the Americas, Inc. (Atlanta North Chapter)
- Member of the International Foundation of Employee Benefit Plans (IFEBC) and the International Society of Certified Employee Benefit Specialists (ISCEBS)
- Winner of the 1994 Benny Award for Judges Choice presented by the national publication, EBN (Employee Benefit News)

TRISH NEELY, CFCI

Title

- Chief Compliance Officer, Standards & Practices
- HIPAA Privacy Officer

Work Experience

- **With FBMC since 1987**
 - Corporate governance, legal & regulatory compliance, quality assurance, standards of business performance, corporate training & employee development
- **Previous experience includes:**
 - Senior Vice President of Business Management, FBMC
 - Vice President of Administration, FBMC
 - Vice President of Client Services, FBMC
 - Vice President of Sales & Marketing, FBMC
 - Case Team Leader and Department Manager, Performance Teams, FBMC
 - Manager, FSA/Claims, FBMC
 - Manager, Deduction Management & COBRA Departments, FBMC
 - Education and Training Specialist, FBMC

Education

- BS, Industrial Psychology, Clarion University of Pennsylvania
- Department of Education and Training Graduate coursework, Florida State University, Tallahassee, Florida

Professional & Community

- Certified Flexible Compensation Instructor (CFCI)
- Founding Member Leon County World Class Schools Initiative
- Outstanding Service Award, as Performance Team Leader, FBMC, 1992
- Retired Board Member, Tallahassee Urban League

DEBRA TOUGAS, CPA

Title

- Chief Financial Officer

Work Experience

- **With FBMC since 1990**
 - Manages all financial activities including development and monitoring of annual budget and cash projections, preparation of on-going and special financial reports, forecasts and capital expenditures.
 - Responsible for receipts, disbursements and financial reporting to clients, plus related establishment and maintenance of the system of internal controls related to such activity.
 - Prepares budgets, authorizes and monitors expenditures, conducts quality reviews and oversees staff training. Interprets and communicates financial information to assist in planning, evaluating and controlling corporate activities.
 - Directs supervision of Accounting.
- **Previous experience includes:**
 - Background in financial work for government agencies and the private sector

Education

- BA, Stetson University, Deland, Florida
- MBA, Florida State University, Tallahassee, Florida
- Certified Public Accounting License from the State of South Carolina

Professional & Community

- Member of the Florida Institute of Certified Public Accountants
- National Association of Securities Dealers (NASD) Financial Principal
- Beta Gamma Sigma
- Notary

CHET HALL

Title

- Chief Information Officer

Work Experience

- **With FBMC since 2006**
 - Plans, implements and maintains information technology systems and processes necessary to support FBMC's business activities, explores new technologies for future planning and potential implementation, directs the establishment of standards and procedures for all coding, documentation, testing, on-going quality reviews and implementation efforts, manages teams using state-of-the-art technology solutions that address new product development, workflow management, automation of manual processes and database management.
- **Previous experience includes:**
 - Technology and Business Executive with over 25 years of experience leading people, processes and technology transformations for large and small companies with the focus on increasing revenue and improving efficiency. Previous employers include: Price Waterhouse, Jim Moran Family Enterprises, GTE, Harris Corporation, Keane, Inc., Florida Government, Southeast Toyota Distributors and Information Systems of Florida. A leader in information technology, business process analysis, project management and customer relationship management. Experienced as a technical trainer, values customer satisfaction and value added services.
 - Military Veteran, five years in the U.S. Navy, Lead Electrician for both Conventional and Nuclear Power

Education

- BS/MIS, Florida State University, College of Business, Tallahassee, Florida
- AA, Math & Technology, Tallahassee Community College

Professional & Community

- Board of Directors, Tallahassee Technology Alliance and Technology Executive Roundtable Chairman
- Florida Children's Forum Business Involvement Award, presented by Florida's Lieutenant Governor Jennings, 2003
- Managing Member of Local Business Development Organization
- Various Not-for-profit Organizations in the Tallahassee area

BILL LEWIS

Title

- PMO Manager, Deployment & Development

Work Experience

- **With FBMC since 1999**
 - Oversees Project Management Office, responsible for all application delivery and client implementation activities, including prioritization, budgeting and scheduling
 - Directs the analysts and developers that comprise the Information Services organization
- **Previous experience includes:**
 - Contractor and application developer, responsible for development of software to support new Tax-Favored Account products including Tax-Sheltered Annuities, Health Reimbursement Arrangements and Health Savings Accounts
 - Over twenty years professional experience in both staff and consulting roles in a variety of business and technical environments, primarily developing web-based, client/server and mainframe application software for major health and other insurance industry organizations

Education

- Completed 640 hour COBOL programmer training at private institution
- Coursework in accounting and information systems at Springfield Technical Community College and Holyoke Community College in Massachusetts
- Extensive technical and managerial training throughout career

Professional & Community

- Certified PowerBuilder Developer
- Member of Hartford, CT and Orlando, FL chapters of PowerBuilder User Group
- Member of and held officer position within Hartford, CT chapter of the Association for Systems Management
- Attained INS certification in personal insurance

KIM FARRIS

Title

- Vice President, Benefits Administration

Work Experience

- **With FBMC since 1988**
 - Oversees all claims administration, deduction management, claims adjudication and consolidated billing activities for new and existing business
- **Previous experience includes:**
 - Implementation Manager, FBMC
 - Manager, Payroll Processing Department, FBMC
 - Manager, Flexible Benefits Division, FBMC
 - Manager, Account Management Team, FBMC
 - Extensive senior management experience in:
 - Deduction Management
 - Client, Systems & Product Implementation
 - Performance Teams
 - Marketing Services
 - Customer Service
 - Enrollment Processing
 - Benefits Continuation
 - 14 years accounting and systems experience prior to joining FBMC

Education

- Management Career Development Program, FBMC
- Systems Management Training Program, FBMC

Professional & Community

- Manager of the Year, FBMC, 1998
- Employee of the Year, FBMC, 1992
- Corporate and Systems Services Employee of the Year, 1992
- Manager of the Year, FBMC, 1989
- Partners for Excellence

LINDA GREEN

Title

- Manager, Customer Care

Work Experience

- **With FBMC since 1993**
 - Responsible for strategic organizational planning, policy development and implementation. Provides leadership and daily supervision, develops process improvements to enhance service delivery and improve customer satisfaction. Conducts research, analysis and studies administrative programs and operations for customers
- **Previous experience includes:**
 - Supervised the 401(k) staff, coordinating administrative functions and activities of Vista Management Company, (VMC, a wholly-owned subsidiary of FBMC), Retirement Solutions Division
 - Managed the Tax Favored Accounts Administrative Team, FBMC
 - Led the Team that created the Tax Sheltered Annuities (TSA) Administrative Services Product, FBMC
 - Supervised the Commonwealth of Virginia, Department of Administration (DOA) Team and their TSA Administrative Services Team Staff, FBMC
 - 14 years - Toshiba America, Copitech, Corporate Administrator for Florida

Education

- BA, Fine Arts, University of Tampa, Florida
- AA, Accounting, Florida State University, Tallahassee, Florida

Professional & Community

- Sales Employee of the Year, FBMC, 1998
- Administrative Employee of the Year, FBMC, 1997
- Administrative Employee of the Year, Toshiba, 1989 and 1986

FRAN KEYES, JR.

Title

- Manager, Deduction Management

Work Experience

- **With FBMC since 2004**
 - Directs activities of the Deduction Management Team engaged in premium reconciliation and processing to provider companies, receives, loads, monitors and maintains employee eligibility and payroll deduction data files and produces and transmits data files for updating client records.
 - Maintains employee and employer leave accounting records. Reconciles monies expected with monies received, produces discrepancy reports, conducts research and resolves issues with clients, posts (remits) deduction information to providers and FSA accounts.
- **Previous experience includes:**
 - More than 25 years of experience in both private and public sectors with measurable achievements in financial accounting, cost accounting and business administration.
 - 15 years with State of Florida, Department of the Lottery
 - 10 years with Pratt & Whitney Aircraft (a division of United Technologies)

Education

- BBA, Accounting, Western New England College

Professional & Community

- Recipient, Davis Productivity Team Award; 1995, 1996, 1997, 1999

JULIA HYLTON

Title

- Manager, Claims Services

Work Experience

- **With FBMC since 1989**
 - Supervises daily operations of claims processing for all Tax-Favored Accounts. Assures accurate and timely adjudication of claims within the established guidelines & requirements of the IRS, clients and FBMC
- **Previous experience includes:**
 - Team Leader, TFA Department, FBMC, supervised and coordinated the activities of staff including instruction, assignments, monitoring progress and maintaining daily work flow
 - Senior FSA Examiner, TFA Department, FBMC, monitored work flow performed by assigned unit, served as liaison to Client Accounting and other departments
 - FSA Examiner, TFA Department, FBMC, reviewed and adjudicated claims for medical and dependent care FSA accounts
 - TPA Claims Examiner, FBMC
 - File Clerk, Enrollment Processing Department, FBMC

Education

- BS, Risk Management & Insurance, Florida State University, Tallahassee, Florida
- AS, Business Management, Tallahassee Community College
- AS, Consumer Services (Nutrition), Jamaica School of Agriculture

Professional & Community

- Member of Camp Can Do, New Zion Primitive Baptist Church

FLORA ATKINS-BALL

Title

- Manager, Claims Administration

Work Experience

- **With FBMC since 1990**
 - Supervises all administrative functions for the Claims Administration Team, including mail, faxes, Customer Care inquiries, client reporting and audits, W-2 reporting, forfeiture reporting and reconciliation of returned checks
- **Previous experience includes:**
 - Quality Assurance Specialist, FBMC, TFA Department, utilized knowledge of Medical/Dependent Care terms and claims procedures to determine if claims were processed by the established guidelines
 - Team Leader, FBMC, TFA Department, supervised and coordinated the activities of staff, including instruction, assignments, monitoring progress and maintaining daily work flow
 - Senior FSA Claims Examiner, FBMC, TFA Department, monitored work flow performed by assigned unit, served as liaison to Client Accounting and other departments
 - FSA Claims Examiner, FBMC, TFA Department, reviewed and adjudicated claims for Medical and Dependent Care FSA accounts
 - Senior Specialist, FBMC, Deduction Management, reconciled employee payroll deductions and employer contributions, remitted premiums to providers and posted contributions to FSAs

Education

- Tallahassee Community College

Professional & Community

- Usher and Senior Choir Member, Hickory Hill M.B. Church
- 4-H Team Leader for three years

KENDALL LYNN HALL, CFC

Title

- Manager, Card Services and Development

Work Experience

- **With FBMC since 2002**
 - Designs and develops applications for the pre-paid card, provides training on card functionality, both internally and externally
 - Ensures quality of data received from card processor and Pharmacy Benefits Managers for all transactions performed, maintains quality relationships with third-party vendors associated with the pre-paid card platforms
- **Previous experience includes:**
 - Design, development, implementation and management of stored-value platforms on Smart Cards for five years with a leading Smart Card Company that catered primarily to colleges and universities for fully-integrated Smart Card applications that included logical security, ID cards, stored-value, physical access, back-end transaction processing, “storing” college tuitions, financial aid money for books and expenses, meal plan offerings and bank partnering for a combination of ATM and stored-value purchases with on and off-campus merchant programs

Education

- AS, Brevard College, North Carolina

Professional & Community

- Manager of the Year Award, FBMC, 2006
- Excellence Award, FBMC, December 2004
- Who’s Who Among International Business Professionals
- Project Management Institute Certification
- Conch Award, Burdines
- Dean’s List and President’s List, Brevard College
- Who’s Who Among American High School Music Students
- National Honor Society

HEATHER FLEMING

Title

- Communications Team Manager

Work Experience

- **With FBMC since 1992**
 - Supervises Communications staff as Senior Graphic Artist, designing, copywriting, producing and distributing enrollment and marketing materials
 - Design and production of advertising campaigns, design and lead implementation of new processes and departmental policies, conducts educational staff development for new hires on processes and software uses
 - Coordinates production schedules, reviews processes and annual case budgets for 40 to 45 cases. Plans, tracks and manages a one-million dollar budget
 - Primary photographer for company events, MacIntosh systems technician
 - Establishes and maintains client relationships, advises staff of contractual regulations with various vendors, printers, benefit providers, clients and customers.
 - Supervises distribution program, tracks inventory of enrollment and marketing materials and fixed assets.
- **Previous experience includes:**
 - 20 years of publication production experience, including:
 - Graphic Designer, Communications Department, FBMC
 - Assistant Manager/Graphic Artist, MediaType, Inc., Tallahassee, Florida
 - LithoHaus Printers, Inc., Tallahassee, Florida

Education

- Photography and Cinema Major, Ohio State University
- Visual Communications Major, Florida State University, Tallahassee, Florida
- Prospective Managers Training Program, FBMC
- Apple MacIntosh Diagnostic Training, The MacGuys, Tallahassee, Florida
- Web Master Certification Program, Center for Professional Development

Professional & Community

- Certified Web Master
- Member, Tallahassee Graphic Designers Guild
- Apple Computer Service Technician
- Led team to receive consecutive Awards for Publications Excellence (APEX)

2.4 The Department works directly with local and/or home office staff on all administrative matters. Identify the key contact person who will be responsible for day-to-day contacts with the Department and describe his or her professional qualifications, work experience and scope of authority.

April Sheffield, CFC, Account Manager will continue in her current capacity on behalf of FBMC and will be the primary day-to-day contact.

April has complete authority to make decisions concerning the management of our contractual responsibilities and is responsible for ensuring the high level of client satisfaction for which FBMC is known.

April studied Accounting and Finance at Florida State University after earning her AA at Tallahassee Community College. Her previous experience as a Paralegal, COBRA Analyst, Document Control Coordinator and Project Analyst/Implementation Coordinator provided a sturdy foundation for her FBMC commitment which began in 2006.

April currently directs and coordinates activities of the Client Services Teams, always focusing on client satisfaction for services that include new case development, implementation, enrollment, renewal and benefit/service enhancements. She is Certified in Flexible Compensation (CFC) through the Employers Council on Flexible Compensation (ECFC) and a Certified COBRA Administrator. April is a Delta Zeta Alpha Sigma Chapter Executive Board, Standards Chair and a member of the Daughters of the American Revolution, Caroline Brevard Chapter.

Notable clients for which April also serves as the Account Manager include CUNA Mutual, the States of Arkansas and Ohio, and the City of Oklahoma City.

Part 3.0 Vendor References

Selected organizations may be contacted to determine the quality of work performed. The results of the reference check will be provided to reviewers and used in scoring the written proposal.

3.1 Use the Reference Sheets in *Appendix F* to provide three (3) references for each program. Each reference must identify the company/agency for which you have provided services and the type of program administered (i.e. flexible spending account or qualified transportation benefit). Detail should include the services provided including the number of eligible employees and the number of actual participants and contracts. At least one reference should be a public sector employer plan with 50,000 or more eligible employees.

FBMC has completed and inserted Appendix F in Tab 2, Required Forms.

ADMINISTRATION OF THE EMPLOYEE REIMBURSEMENT ACCOUNTS AND COMMUTER BENEFITS PROGRAMS

Section C. Administrative Requirements

Section E provides program history and an outline of the functions and services that the Contract Administrator of the State of Wisconsin Employee Reimbursement Accounts program and Commuter Benefits program currently provides. Provide a written response that reflects your understanding of the program requirements, the processes and procedures that will be used to ensure the requirements will be met, and your company's experience in providing the required services. Your proposal must, at a minimum, provide the current level of service to participants and to the State. Proposals may include alternatives to current procedures, reports, etc. as is deemed appropriate to ensure the effective and efficient administration of the contract.

Scoring will be based on the quality of the approach and the ability of the respondent to meet the needs of each of the Programs.

Part 1.0 Data System Capabilities

1.1 Provide detailed information about the hardware and software that will be used to administer both programs. Include information about the record-keeping control policies and procedures that are in place to properly receive, disburse, audit, and reconcile both participant and plan accounts in the following areas:

- a) Enrollment processing**
- b) Payroll (contribution) processing**
- c) Reimbursement/claims administration**
- d) Bank account reconciliation**

FBMC administers pre-tax benefits using a proprietary system that was developed in 1999 and has been continuously upgraded, enhanced and modified to accommodate various client requirements. The software is written and maintained by FBMC employees. The architecture is modular; it includes separate components for Enrollment Processing, FSA adjudication, Deduction Management, FSA reimbursements and Customer Care. The system is menu-driven (automated) based on the functional team that is accessing it.

FBMC maintains records at the employer/processing unit level, the individual employee level and the Plan level.

Because we own our system, we are able to upgrade, make enhancements and provide problem resolution without the need to consult with outside vendors or ask for modifications permission as do other TPAs who do not own the rights to their systems.

The computer systems are housed at our corporate headquarters in Tallahassee, Florida. The computer systems, the Siemens telephone systems, the internet servers and the interactive voice response (IVR) systems are located in a controlled-access computer room with dedicated air-conditioning equipment and electronic power-conditioning devices. Remote sites are supported by leased, dial-up telephone lines and high-speed modems.

FBMC has developed and implemented an easy-to-use enrollment system that allows employees to enroll in benefits through the internet (*PremierEnroll*SM)

Our *PremierWeb*SM (www.myfbmc.com) allows customers and/or clients to:

- Submit online claims in editable, electronic forms or as portable document format (PDF) attachments
- Share files and reports to make ad-hoc reporting and utilization analysis convenient
- Receive e-mail alerts, notifications and reminders

Recordkeeping and Processing Controls

FBMC has significant internal controls to separate processing functions and provide stringent monetary controls for its clients.

We differ from many other TPAs in that our staff is specialized in their various areas of expertise. Key functions are performed in specialized operating teams in order to maintain the proper operational controls, checks, and balances, and to assure accurate, prompt and secure administration services.

For example, our Customer Care Specialists have only one job: serving participants that call or e-mail FBMC; they do not adjudicate claims or handle payroll deductions. Our Accounting staff performs only one function: remitting reimbursements to participants. Our Claims staff adjudicates claims; they have no access to payroll deductions, enrollment applications or reimbursement check stock.

FBMC periodically undergoes a Statement of Auditing Standards (SAS 70) review. We alternate between the SAS 70 Type I and the more comprehensive SAS 70 Type II audit to review the internal controls associated with our systems, processes and financial recordkeeping.

FBMC has Quality Assurance employees within several of the teams involved in FSA administration, including Customer Care, Claims Services, Claims Administration and Deduction Management. These employees are responsible for monitoring the quality of the work performed in these functional areas and identifying and reporting situations that require further training or management intervention for assistance with solutions.

Reimbursement / Claims Administration

FBMC's adjudication (Claims Services) and reimbursement (Accounting Disbursements) teams are physically and functionally separate.

All incoming claims are date-stamped, scanned, indexed and logged into FBMC's system by our functionally separate Claims Administration Team.

FBMC utilizes a claims imaging and business flow solution which is fully-integrated with its proprietary claims system. It is not a standalone system as are many used by FBMC's competitors and most third-party administrators (TPAs). There is full reciprocity between the document retention system and our claims system.

Features of this business flow and imaging solution include:

- Workflow automation for fax, paper and electronic documents;
- Front-end scanning, indexing and tracking of claims media and related correspondence;
- Integration with FBMC's proprietary web-based system;

- Integration with FBMC's fax server solution which eliminates the need for manual document delivery and receipt;
- Integration with FBMC's Customer Care solutions; and
- Automated management reporting tools.

At the conclusion of this process, the claim image is forwarded to FBMC's Claims Services Team for adjudication. The claim is adjudicated online. Our Accounting Disbursements Team initiates payment transactions to conclude the reimbursement process and to ensure segregation of duties between payment authorization and the actual payment.

We utilize various software edits to identify claims that should not be automatically processed and internal staff reviews to verify that claim procedural and financial accuracy standards are being achieved. Claims reviews are targeted to identify quality levels and address Claims Examiner issues, client issues and types of claims or amounts of reimbursements.

Enrollment Information and Updates

Enrollment information and updates are compared to FBMC's system to determine whether or not there is already an existing record. This occurs regardless of whether FBMC is loading a data file or data-entering a paper-based enrollment election or Change in Status.

Payroll Processing

All incoming payroll data is reconciled prior to posting to individual participant records.

FBMC's Deduction Management Team is responsible for reconciling and posting the payroll deduction data received.

System reconciliation occurs each time we have incoming data or paper records that must be entered into our system, be it eligibility data, payroll data or a new enrollment election.

FBMC will reconcile each processable payroll deduction/reduction data file against its participant enrollment records (expected vs. actual) to identify additions, changes and omissions. An Exception Report is generated and remitted to the employer for review and resolution.

Reconciled records will be posted to the individual tax-favored account(s), employee deduction history file and to the overall employer plan account, usually within one-two days of receipt.

Maintenance & Data Collection

The modular functional areas are maintained with controlled-access to each respective functional team. Data collection for the system occurs through validated data-entry screens, as well as various functional import processes.

Plan Design

Our proprietary application allows for flexible set-up of business rules in the form of rates, plans and flags in order to validate individual client plan design.

Reporting

FBMC has a standard package of reports that are available. Custom ad-hoc reports are also available.

Electronic Reporting

Any reports that can be generated from our system can be created in PDF. We provide direct access to our system or retrieval through the web, these documents can then be exchanged through file transfer protocol (FTP), removable media or encrypted e-mail.

Bank Account Reconciliation

Bank account reconciliations are conducted quarterly by FBMC's Accounting Team. The reconciliation verifies deposits made by FBMC and disbursements that have occurred (Card, direct deposits and checks), including adjustments that may have occurred (voids and stop-payments). Quarterly client reporting is included within our fee quote; alternate reporting frequencies should be initiated during negotiations and additional fees may apply.

Network Infrastructure

We use Cisco products, including but not limited to; switches, firewalls, routers, content switches, etc. All products are covered by Cisco Smartnet maintenance agreements to ensure maximum availability. Connection to the internet is provided via a 3 MB fiber connection with a T1 backup link in the event of a failure of the primary fiber transport. FBMC also manages Citrix Servers, Applications Servers, FTP, e-mail, an Anti-Spam System, an Anti-Virus System, a Blackberry System, File Server, Print Servers, Domain Controllers, etc.

Database System

Our core database uses Sybase ASE running on an IBM X460 server. This server has eight 3.0 GHz Xeon Processors, 4 GB of RAM and 1.1 Terabytes of online disk storage. The server is expandable to 32 processors and 512 GB of RAM. Application development occurs on a separate Dell 8450 server. The development server has eight 900 MHz Xeon processors and 4 GB of RAM.

Imaging System

Several types of forms are scanned or electronically placed into our Alchemy imaging system. This system has 1.8 Terabytes of online disk storage. View access to the system is provided to functional areas of the company that need it.

Fax Server System

Two fax servers support 72 lines of inbound and outbound fax capability. These lines support inbound claims, enrollment forms, as well as individual functional team fax lines. Faxes received are placed in the imaging system, logged and can be viewed and printed. The servers are configured for redundancy to decrease the impact of a single system failure.

Web System

Multiple production web servers are operational 24/7 to provide clients and customers with access to our website. These servers are connected to a Cisco content switch to provide load balancing, fault tolerance and the means to allow individual servers to be

taken off-line for maintenance with no affect to customers. A web development server is also maintained to facilitate testing of changes to be applied to the production environment.

Phone System

FBMC uses a Siemens HiPath 4000 phone system. This is a hybrid system capable of supporting digital and VOIP phone connections. This system also supports remote shelf capability to allow our larger remote locations to function as an annex of the main phone system in Tallahassee. There are 48 lines of local and 120 lines of toll-free, inbound/outbound, long-distance lines available for use.

Customer Care Center and IVR

The Customer Care Center and IVR functionality is provided by Syntellect technology. This system allows customers to check information through an IVR system, request forms or talk to a live Customer Care Specialist. Self-service options are available 24/7. Intelligent routing ensures that callers are matched with Care Specialists promptly. To promote quality of service, voice interactions are recorded and are available for review.

Employee Workstations

FBMC employees use Dell computers and laptops which are generally on a five-year replacement plan. All systems are connected to UPS systems to ensure stable power and allow employees to save data and shut-down equipment safely in the event of a power failure.

- 1.2 Provide information about your company's previous experience in providing record-keeping and accounting services for similar plans with multiple payroll reporting agencies and multiple payroll cycles using a variety of data formats, including electronic transfer via ftp, vpn, encrypted e-mail, and/or paper. Include the name, area of responsibility, qualifications and experience of key staff responsible for the information technology systems functions.**

FBMC has extensive experience providing record-keeping and accounting services for similar plans with multiple payroll agencies and cycles, using a variety of data formats and transfer protocols.

Clients for whom FBMC administers benefits that are similar to the State's include:

State of Arkansas (FSA, 19 years)

State of New Jersey (FSA, 1 year)

State of New York (FSA, 18 years)

State of South Carolina (FSA, HSA, 6 years)

Tennessee Board of Regents (FSA, 20 years)

Commonwealth of Virginia (FSA, 11 years)

State of West Virginia (Cafeteria Plan, including FSA, 17 years)

Covered-entities under HIPAA require that data exchanges be conducted in a HIPAA-compliant format (such as HIPAA ASC X12N 820 for payroll data and HIPAA ASC X12N 834 for eligibility data). FBMC can also provide its own data exchange file format during the early phases of implementation.

FBMC's data exchange capabilities include:

Data Formats

- HIPAA, Employer format, FBMC format

Data Exchange Methodology

- FBMC FTP site, encrypted e-mail, CD, diskette, direct data upload to FBMC system by employer, direct access to FBMC system by employer (data entry), employer FTP site

Data Exchange Security

- SSL secure, PGP encryption, WinZip encryption, employer encryption software (optional)

Data Exchange Type (for clients)

- Enrollment, Eligibility, Payroll, Current Benefits (for payment Card auto-substantiation), Non-Discrimination Testing

The names, areas of responsibility, qualifications and experience of the key staff responsible for the information technology system functions include:

Information Services

Chet Hall

Chief Information Officer

Chet received his BS in Management Information Systems (MIS) at Florida State University's College of Business and his AA in Math and Technology at Tallahassee Community College, in Tallahassee, Florida. He Joined the FBMC team in 2006 and is responsible for technology platforms and system processes that support FBMC's business activities. Chet also explores new technologies for future planning and potential implementation. Chet has over 25 years of experience as a technology and business executive. He previously served as Lead Electrician for both Conventional and Nuclear Power for the U.S. Navy. Chet is a member of the Tallahassee Technology Alliance Board of Directors, and served as a Technology Executive Roundtable Chairman and is a managing member of the Local Business Development Organization.

Deployment and Development

Bill Lewis

Manager, Project Management Office

Bill completed 640 hours of COBOL programmer training at a private institution and Accounting and Information Systems coursework at Springfield Technical Community College and Holyoke Community College in Massachusetts. He has over 20 years of professional experience in both staffing and consulting roles in a variety of business and technical environments, primarily developing web-based, client/server and mainframe application software for major health and other insurance industry organizations. Bill joined FBMC in 1999 and is the subject-area expert in project management processes, concepts and process improvement initiatives.

He is responsible for all application delivery and client implementation activities, including prioritization, budgeting and scheduling. He directs the Business Analysts and

Developers that comprise the Information Technology Team. Bill previously developed applications that facilitated the development of software to support new Tax-Favored Account products, including Tax-Sheltered Annuities, Health Reimbursement Arrangements and Health Savings Accounts.

MIS

Jeff Latimer
Team Leader

Jeff is responsible for ensuring the operation of critical business systems at FBMC with the entire Information Services Division, which encompasses the following functional teams; Information Services, Application Development, MIS and Systems Administration. Jeff leads MIS, which was created to service the needs of the FBMC user groups. He offers support to the Design and Developers teams to research and gather information on development requests.

System Administration

Glenda Atkinson
Team Manager

Glenda holds an Associates Degree in Science and Networking Services Technology and currently oversees planning, acquisition, implementation and maintenance of information technology systems and processes that support FBMC's business activities. She procures all information technology equipment and software in a cost-effective manner. Glenda explores new technologies for future planning and potential implementation and leads the company's information technology strategies and priorities in IT operations, hardware, disaster recovery and voice and data communication. Before joining FBMC in 2003, Glenda served for 20 years with the State of Florida, working in both business and IT related fields.

1.3 Will it be necessary for your company to purchase additional computer/data processing resources in order to fulfill the terms of your proposal? If yes, please explain.

No.

1.4 Describe in detail the measures you use to protect the security and privacy of program data, records, forms, participant information, and data processing operations. Include information about the physical security measures used to control access to your company's systems and internal controls that are in place to reduce loss that may occur through fraud, negligence, incompetence, or system errors.

FBMC complies with all security requirements in the four areas identified by HIPAA, as detailed on the chart that follows:

Security Standard	Security Function
1. Administrative Procedures	Documented formal practices to manage the selection and execution of security measures to protect data and the conduct of personnel in relation to the protection of data
2. Physical Safeguards	Protection of physical computer systems and related buildings and equipment from fire and other natural and environmental hazards, as well as intrusion
3. Technical Safeguards	Processes that protect, control and monitor information access and the electronic security measures of data stored electronically
4. Technical Security Mechanisms	Protection of data that is transmitted over an electronic network

FBMC mandates HIPAA Security and Privacy training for all employees. FBMC has already implemented all HIPAA security procedures necessary to protect the integrity of data provided by the ETF and all FSA and QTB participants. We will address security during the implementation phase of this contract and identify and discuss solutions to any HIPAA issues that have occurred in the past.

FBMC recognizes the importance of data protection. As a provider of products and services that involve compiling personal and sensitive information, protecting the security of that information has been, and will continue to be, a top priority of FBMC. In addition to our current protections, we have also initiated a project to implement the security standards of ISO 27000:2005, an international set of guidelines for information security management systems. Records are maintained for seven years.

We have adopted all requirements specified by the Health Insurance Portability and Accountability Act (HIPAA) and we will not use or disclose protected health information (PHI) other than as permitted by the Act and as further stated in our Privacy Notice to customers. All our activities related to serving our clients and customers are based on the “minimum necessary” standard.

Although, as a Benefits Administrator we are the ETF’s “business associate”, we made the decision in 2002 to adopt all of the safeguards and standards required of a covered entity, including having designated privacy and security officials and producing our own Privacy Notice upon which our customers may rely.

Trish Neely, CFCI, Senior Vice President and Chief Compliance Officer (CCO), serves as FBMC’s designated Privacy Officer. In addition to monitoring and enforcing all internal privacy and security practices, she oversees training, provides guidance to individual teams regarding specific policies and procedures and interfaces with federal and states’ agencies responsible for compliance of privacy and security regulations.

Kedra Baumgardner reports directly to the CCO as Assistant Vice President of Information Security and is FBMC’s designated Security Officer. With a strong

technology background, she focuses on electronic data security and makes routine scheduled and unscheduled inspections of FBMC's physical facilities and proprietary software applications to ensure "minimum necessary" standards are followed when assigning access to data systems and physical locations. Kedra has created and deployed procedures for securing data both at the individual employee level and for FBMC's systems and electronic data interfaces. She is leading FBMC's three-year initiative to adopt ISO 27000 standards.

FBMC has adopted guiding principles that each employee must know, understand and abide by in the course of their daily activities. Willful violation of these principles will result in immediate termination of employment.

We have implemented the following security measures for data security:

Administrative Procedures

FBMC has implemented administrative practices to ensure security of data within our organization. This includes:

- Dedicated security staff for definition, education/training and enforcement
- New employee formal exposure to security rules and procedures
- Corporate conduct policy on security requirements
- Special approvals for public network access
- Formal procedures for security violations

FBMC has implemented procedures that enable our Customer Care Specialists to assure the identity of a caller. We also allow a customer to orally designate a personal representative (after his or her identity has been confirmed) or by requiring a written authorization form (available on our website).

Physical Safeguards

FBMC secures its physical networks. The security has been implemented at many layers, and deals with the physical security issues across our entire environment including data center, infrastructure and workstations.

The facilities all have electronic access control. All doors have badge readers or electronic access pads. Individual access is monitored and off-hour access is restricted to specific personnel.

At our main data center, we have 24/7 secured electronic door access to help protect our equipment. The data center is located in a secure facility and additional security is required for access. Our data center is fire protected with a Halon fire-suppressant system.

Within our facilities, all computers are tagged and tracked by our systems administration staff.

Technical Safeguards

System access is controlled within our domain by network login and password enforcement. Our Information Technology Team is tasked with enforcing all password-controlled access to our systems. This includes some of the following restrictions on network access:

- User password must change every 60 days

- User password cannot be any of last twenty passwords
- User lockout after three failed attempts requiring administration level resets

We do not allow direct systems access through a public network. We have implemented a virtual private network (VPN) and Citrix that have the following security implemented on top of our domain access:

- Secure Sockets Layer (SSL) access via the VPN
- Additional username and password for access
- VPN Monitoring for hardware and software

Technical Security Mechanisms

This outlines the layers of security in place to protect our networks from data transmitted outside our directly controlled networks.

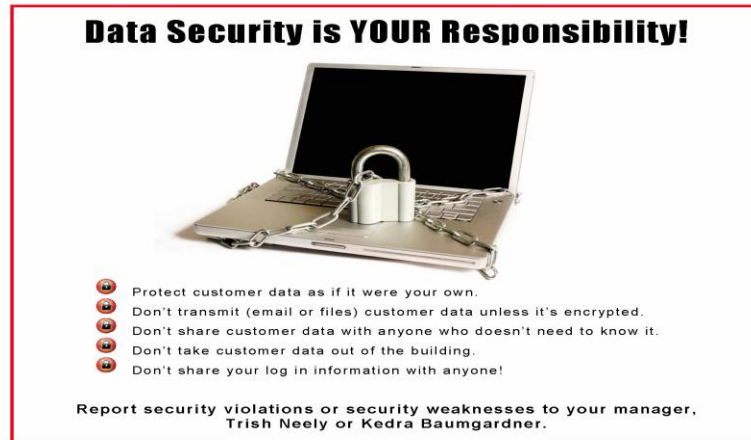
Safeguards:

- Dual Firewall protection at all public network access
- Router restrictions for addressable IP addresses only
- Utilization of DMZ (de-militarized zone) for web servers
- Network and server monitoring
- All sensitive data utilizes public key infrastructure (PKI) for client exchanges and SSL from web servers
- Business to business (B2B) transactions utilize dual encryption and SSL for transport.
- Data payload has sensitive data pre-encrypted (1024-bit encryption)

Our computer system is housed at our headquarters in Tallahassee. The computer system, the Siemens telephone system, the internet servers and the Interactive Voice Response (IVR) system are housed in a controlled-access computer room with dedicated air-conditioning equipment and electric power-conditioning devices. FBMC has an emergency generator. Remote sites are supported by leased, dial-up telephone lines and high speed modems.

FBMC has never had a computer failure which resulted in a material disruption of service to any of its clients. Annual testing of our disaster preparedness plan has shown that FBMC can be operational within 36 hours of hot-site activation.

Following this page is an image of a poster FBMC displays at its headquarters as a reminder about the importance of data security.



1.5 Provide a description of your system back-up procedures including the frequency of updates, retention schedule and schedule for business recovery testing

Full back-ups are performed weekly and incremental back-ups are completed daily. The back-up media is tested periodically for viability by retrieving various files and testing them for access.

We maintain two full plan years of information on our computer system for each client and seven years on back-up tape after removal from the computer system.

All systems are backed-up using full and incremental back-ups, as appropriate via digital linear tape (DLT), linear tape-open (LTO) and advanced intelligent tape (AIT) media. On-site back-up tapes are stored in a fireproof safe; off-site back-up tapes are stored in a climate-controlled secure vault.

FBMC conducts the following security reviews and audits:

- An annual risk analysis of security and access control measures, which demonstrates, at a minimum, the following information:
 - The level of risk associated with each potential vulnerability
 - Steps to be taken to reduce the risk of vulnerability
 - Processes for maintaining not less than the acceptable level of risk
- An annual, technical and non-technical evaluation to establish the extent to which FBMC's computer systems and networks meet a pre-defined set of security requirements. The initial basis for security requirements is the HIPAA Final Security Rule. Technical evaluations include security functional testing, penetration testing, analysis and verification as appropriate. Non-technical evaluations include inspections, reviews, interviews and analyses as appropriate.
- An annual information system activity review, which includes review of intrusion detection logs, firewall logs, access attempt logs, and other system-generated reports that monitor system activity. Manual documentation and reports are also reviewed to ensure appropriate security measures are in place.

1.6 Provide a description of your business recovery plan as it relates to the equipment, software and data tapes and personnel which would be used in

providing the services described in this RFP. Include contingency plans for continuation of critical business functions during an emergency.

We believe it is our responsibility to protect our employees, our community and our environment by being as prepared as possible for unforeseen events. Our emergency management plan allows us to continue to serve our clients and customers and protect the financial interests of our shareholders.

FBMC's established Corporate Emergency Management Plan addresses four key areas of emergency management: mitigation, preparedness, response and recovery. This plan describes the general procedures that should occur in the event of an emergency. Annexes are included to provide specific information and direction for key areas of operation. Hazard-specific appendices address unique response procedures and actions generated by that particular hazard. In addition to this corporate plan, each functional area of FBMC maintains a Team Emergency Plan which identifies specific tasks and team-specific activities that are triggered during plan activation.

The plan addresses mitigation and preparedness activities such as:

- Annual updates of the corporate and team plans
- Biennial simulation exercises
- Hazard identification and vulnerability analysis
- Employee disaster hotline
- Employee training
- Facility security
- Data protection

For response and recovery activities, the Emergency Management Plan calls for the activation of an Emergency Operations Center (EOC), depending on the level of response required. The EOC serves as a centralized management center for emergency operations. With decision and policy makers located together, personnel and resources can be used efficiently. Coordination of activities will ensure that all tasks are accomplished, minimizing duplication of efforts.

FBMC maintains a contract with SunGard Recovery Services. In the event of an emergency, SunGard will provide FBMC with one of the following:

- Access to a hot-site that contains hardware equivalents to critical systems
- Shipment of required hardware to a location of FBMC's choice
- A mobile recovery unit that contains the required hardware and workstations for up to 30 people

The SunGard contract also provides for the redirection of telephone and internet service, 24-hour workspace and 24 testing hours each year.

1.7 If any proposed data processing system or any of its parts used for the administration of either program is not owned and/or developed by your company, please explain what contractual arrangements have been made and with whom.

FBMC provides administrative services to meet all requirements in this solicitation with the exception of several aspects of the QTB program.

FBMC manages and administers QTB plans with its *PremierCommute*SM service product, in partnership with our Preferred Provider, Accor Services USA. FBMC utilizes Accor

Services as a subcontractor to satisfy the enrollment, selection and fulfillment of transit services.

Accor Services; www.accorservicesusa.com, was founded in 1999 and is headquartered at 51 Water Street, Watertown, MA 02472. They also have regional offices in San Mateo and San Diego, California and Chicago, Illinois. Purchasing, inventory and fulfillment operations are all managed out of their headquarters. Their contact information follows: phone (857) 228-1400, facsimile (857) 228-1414, toll-free phone (800) 531-2828.

Their single focus is administering transit benefit programs. Their combined knowledge of transit benefits, online enrollment, technological solutions and attention to clients and their customers constitute the most comprehensive solution in the transit marketplace today. In the United States alone, they serve over 11,000 employers directly and over 450 large employers through third-party administrators, reaching over 1.5 million eligible participants nationwide. They conduct transactions of more than \$120 million with over 320 transit agencies on an annual basis.

Accor Services has an outstanding reputation for fulfillment accuracy, achieved by their adherence to consistent applications of sound processes and procedures. Quality is assured through their internal controls, which have been designed to mirror formalized business processes.

Part 2.0 Claims Processing and Reimbursement

2.1 Describe your experience in providing claims processing services for Section 125 and Section 132 programs. Indicate the number of claims currently processed and paid each month for medical and dependent care accounts, as well as QTB accounts.

FBMC is an independent benefits administrator with FSA and QTB clients from Alaska to Vermont. Our clients range from large state governments and school districts (including 5 of the largest 15 in the nation), to mid-size employers such as hospitals and technology companies.

FBMC serves more than 300,000 customers, plus their dependents, and pays hundreds of millions of dollars in claims every year. We handle approximately 600,000 customer care inquiries annually, and we provide benefits education for more than 1.5 million employees.

Our *only* business is, and has always been, employee and retiree benefits administration. Because benefits administration is not a peripheral activity at FBMC, we are able to offer efficiencies and competencies that are difficult to obtain from companies established for other purposes or engaged in other activities. We offer a web-based, open-access platform and we are proactive rather than reactive in serving our clients.

In addition to our business focus, what truly sets FBMC apart from its competitors lies in its core principles, which are summed up in three words: Quality, Integrity and Longevity. These principles have guided us in our quest to become the nation's Premier benefits administrator.

FBMC has approximately 365 employees, and more than 225 of them are involved in providing administrative services for Flexible Spending Accounts.

In 1983, FBMC filed a model Flexible Benefits (Cafeteria) Plan that was the first to be

approved by the IRS through a Private Letter Ruling and subsequently became a platform utilized by benefits consultants and administrators nationwide.

FBMC has been providing benefit services to private and public-sector employers since 1976; administering Section 125 plans since 1983; FSAs since 1986, full-service COBRA since 1989; a payment Card since 2000; Commuter Benefits since 2002; Self-funded medical dental and vision plans since 2003; HRAs since 2004 and HSAs beginning in 2005.

The primary services offered by FBMC include:

- Flexible Spending Accounts (FSAs)
- Cafeteria Plans (§125)
- Qualified Transportation Benefits (§132)
- COBRA and Retiree
- Health Savings Accounts (HSAs)
- Health Reimbursement Arrangements (HRAs)
- Investment Services: 401(k)
- Dependent Eligibility Verification and Audit
- Self-Funded administration for Medical, Dental, Vision and Prescription Drugs
- Internet Enrollment Services
- Voluntary Benefits Management; Consulting (Brokerage Services)

Our clients include 12 state governments: Arkansas; California; Florida; Illinois; New Jersey; New York; Ohio; Pennsylvania; South Carolina; Virginia; West Virginia; and Wisconsin. School District clients include Miami-Dade County Public Schools (50,000 employees, Cafeteria Plan, including FSA administration), Fairfax County Public Schools (38,000 employees, FSA administration), Broward County Public Schools (30,000 employees) and Palm Beach County Public Schools (22,000 employees).

We have extensive experience providing FSA and QTB administration services for large state governments. Some examples follow:

<i>State</i>	<i>Contract Effective Date</i>	<i>Employees</i>	<i>Participants</i>	<i>Service</i>
Arkansas	01/01/1990	28,000	2,340	FSA
Florida (Convergys)	01/01/2004	170,000	14,430	FSA
Illinois	01/01/1996	132,000	13,075	FSA, QTB
New York	01/01/1991	225,000	19,700	FSA
South Carolina	01/01/2003	190,000	20,835	FSA, HSA
Virginia	01/01/1998	88,770	12,855	FSA
Wisconsin	01/01/1990	95,000	13,300	FSA, QTB

FBMC has approximately 176,200 FSA participants, broken down as follows:

HCSA: 152,470
DCAP: 23,746

Our average client has approximately 6,300 FSA participants and a 14.4% participation rate. FBMC has more than 60,000 debit card customers. We currently serve 12,860 QTB participants and expect to add Los Angeles County and the Commonwealth of Pennsylvania QTB participants later this year.

Experience is a key factor when it comes to handling something as important as employee benefits. With FBMC, you can expect a wealth of experience and support from a company that has been at the forefront of the industry for more than three decades.

For 2008, FBMC processed 587,978 FSA claims (monthly average 48,998) and issued reimbursements totaling \$256,215,874.21 (excluding payment Card statistics, monthly average \$21,351,400). In addition, FBMC processed payment Card claims totaling 523,464 (monthly average 43,622). Total FSA claims processed in 2008 was 1,111,442 (monthly average 92,620).

For 2008, FBMC processed 5,285 QTB parking claims (all QTB transit claims are paid directly to transit vendors).

For 2008, FBMC issued 54,175 checks to Wisconsin participants (11,858 DFSA, 42,317 MFSA, and 1,809 QTB).

2.2 Provide detail of the procedure and the criteria used to authorize or reject claims to assure that all claims paid are in compliance with applicable IRS Code and Regulations. Include the quality control procedures and system edits used for controlling and tracking reimbursement requests.

FBMC is well known for its strict compliance with IRS regulations. Our *Claims Team* receives training as new regulations are introduced or existing ones are changed. Our proprietary claims software is maintained by our own programming staff, and is immediately updated as new regulations are passed.

Our *Standards and Practices Team* reviews client Plan Documents and assures that our Claims and other teams are fully aware of all operating procedures necessary to maintain compliance on a client-specific basis.

We work with the IRS federal authorities in Washington D.C., and the insurance departments of states where we conduct business to keep abreast of changes in laws and regulations.

All FBMC claims are processed in strict accordance with IRS requirements and any additional requirements the client may impose on their plan. *No FBMC client has ever had any regulatory problems as a result of FBMC's administrative guidance or services.*

If documentation submitted by a participant meets IRS substantiation requirements, the claim is adjudicated and closed. If the transaction, in whole or in part, does not meet IRS requirements, the eligible portion is adjudicated and paid and the ineligible portion is denied. Participants are notified to submit additional substantiating documentation and adjudication is completed upon receipt thereof. Unique authorization numbers are assigned to each claim for tracking purposes.

FBMC has always administered claim reimbursement conservatively in order to ensure that its clients do not have regulatory problems associated with its administrative services. Receipts or other third-party substantiation is IRS-required on all expenses incurred.

Claims Examiner training is critical to assuring that claims are adjudicated in complete compliance with IRS codes and regulations. Each of FBMC's Claims Examiners receives initial training for a period of four weeks before working independently. The training is presented in both classroom and on-the-job settings. It includes the definition and

introduction to Cafeteria Plans and FSAs and a thorough review of the guidelines set forth in IRS §§125, 105 and 129 and publications 502 and 503 for eligible FSA expenses. A comprehensive, Claims Adjudication Resource Manual that describes all processes and requirements involved in claims processing is available to all Claims Examiners online. The Resource Manual is updated periodically so that the most current information is always available.

Each Claims Examiner also receives inter-departmental training to enhance their understanding of company-wide functions that constitute the remaining processes involved in FSA administration but that occur independent of (and in some cases, simultaneously to) the adjudication process.

New Claims Examiners are required to shadow an experienced Claims Examiner and work with the assigned Team Leader to review all claims adjudicated for a period of time, to ensure that a thorough understanding of compliance and claims adjudication has been achieved. Our Quality Assurance Specialist conducts monthly, post-adjudication reviews of the Claims Examiners and the results provide further opportunities for Claims Examiner-specific training and continuing improvements.

Monthly and quarterly continuing education meetings are conducted to ensure that everyone is aware of new statutory guidelines, pending legislation and case-specific changes. Additionally, the Claims Examiners receive monthly reviews to determine additional training needs. A performance plan is developed for each employee to ensure that the training required to meet annual goals is made available and received. Additionally, FBMC has Quality Assurance Specialists who randomly and continuously review FSA claims.

We utilize various software edits to identify claims that should not be automatically processed and internal staff audits to verify that claim procedural and financial accuracy standards are being achieved.

FBMC utilizes the following system controls to screen claims for §125 compliance:

System Controls

- Service date ranges must fall within the plan year being accessed by the Claims Examiner or the claim will be rejected by the system.
- Potential duplicate reimbursement requests are controlled based on two key data fields: date of service and type of service.

Processing Controls

- Our system ensures that a Medical FSA reimbursement cannot be generated for a Dependent Care FSA account, and vice versa.
- Reimbursements cannot be released in excess of the annual amount defined in the system for the participant.

Requests for reimbursements are initially audited by our software, which has built-in auditing capabilities. Our software checks the following areas:

- Coverage elected and in force
- Contribution balance sufficient to fund the request and/or projected annual contributions sufficient to fund the request (Medical FSA)
- Contributions sufficient to fund the entire or partial claim submitted (Dependent Care FSA)

- Services incurred during the eligible plan year or the extended grace-period, if applicable
- Services submitted are eligible according to service type codes
- Requests which may be a duplicate

When third-party substantiation indicates that expenses are ineligible or improper, or when a participant has not submitted a third-party receipt, steps are taken to assure that amounts attributable to impermissible claims are recovered from the participant.

Quality Controls

Our claims processing functions are performed by three specialized functional teams within FBMC: Claims Administration, Claims Services and Accounting Disbursements. The Claims Administration Team opens, scans and distributes incoming reimbursement requests, the Claims Services Team adjudicates claims daily, strictly in accordance with established guidelines, and the Accounting Disbursements Team initiates reimbursement payments.

We established physically and functionally separate processing units in order to maximize the security control for client-owned funds.

Claims activities and metrics are closely monitored to ensure compliance with all contract requirements. Client Services participates in the quality control process; experienced Account Managers ensure that services are being provided in accordance with the contract.

Quarterly contract review and management is conducted to seek information, access compliance and provide clients with results. FBMC's Leadership Team decided to use quality assurance reviews, conducted through the Claims Administration and Services Teams, as a catalyst to constantly improve processing and financial accuracy. Claims metrics, provided to clients on a regular basis, effectively include the plan sponsor into internal quality control initiatives.

FBMC's Quality Assurance Specialist reviews at least 2% of each Claims Examiners' claims processed each month for both financial and procedural accuracy. These reviews help management monitor procedural changes resulting from regulatory changes, monitor the work product of new examiners and monitor client-specific requirements so that immediate, corrective action may be taken as needed.

Statistics are also tracked and reported monthly; claim turnaround-time, procedural and financial accuracy, etc. Claims personnel meet regularly to review performance and any general or client-specific issues.

FBMC averaged 99.28% processing accuracy and 98.99% financial accuracy for claims reimbursements in 2008.

FBMC provides information to assist FSA participants in understanding the claims submission and approval process.

Several images of these communications are included on the following pages.

WANT TO GET YOUR MONEY FASTER?

EXAMPLES OF DOCUMENTATION

A **Letter of Medical Need (LMN)** from your health care provider is required if the expense can be provided for either a medical or a general health or cosmetic purpose. The letter must confirm that the service is being provided to treat a disease or medical condition. It must be submitted annually along with your request form and statement, bill or receipt. If the claim is for ongoing treatment that is continuing from the previous plan year, you may submit a copy of the LMN filed previously with a notation that the claim is for continuing treatment. You may use the form provided by FBMC, or you may submit a letter written and signed by your health care provider. The letter must include the patient's name, the diagnosed condition that's being treated, the prescribed treatment, and the duration of the treatment. Examples of expenses that require a letter of medical need include, but are not limited to: massage therapy, nutritional supplements, acupuncture, health club dues, Over-the-counter (OTC) vitamins and minerals.

A **Personal Use Statement** must be submitted if the expense is for a special version of an item that is ordinarily used for general health, cosmetic, or family purposes. Only the additional amount of expense over the cost of the item in its normal form is eligible for reimbursement. For example, only the part of the cost of orthopedic shoes that is more than the cost of regular shoes may be reimbursed.

A **Capital Expenditure Worksheet** is required if the expense is for an item that has a useful life that extends beyond the end of the taxable year, and its primary purpose is to provide medical care or accommodate an existing medical condition. You may also need to submit an independent third-party appraisal if the capital expenditure is permanently attached to your property. Examples of capital expenditures include an elevator, bathtub railings, etc.

More detailed information and copies of the Letter of Medical Need, Personal Use Statement, and Capital Expenditure Worksheet are available at the ETF Internet site at the address listed below. More information is also available in your ERA Enrollment booklet or by contacting FBMC Customer Service.

You can receive your reimbursement faster by enrolling in the Rapid Refund Option. With Rapid Refund your reimbursement claim check is deposited directly into your checking or savings account. Forms are available on the ETF Internet site, on the FBMC Web site at www.myFBMC.com or call FBMC Customer Service to request a form. You may enroll in Rapid Refund at any time during the plan year.

MAIL OR FAX ERA REIMBURSEMENT REQUESTS TO:

Fringe Benefits Management Company
P.O. Box 1800
Tallahassee, FL 32302-1800
TOLL-FREE FAX: 1-888-326-2658

Be sure to keep a copy of all documents for your records. If you FAX your request, you do not need to mail a copy.

Visit FBMC's Web Site at www.myFBMC.com, contact FBMC Customer Service at FBMC Customer Service at 1-800-342-8017 for more information or to obtain letters and forms.

ACCESS YOUR ERA ACCOUNT INFORMATION ANYTIME!

Use FBMC's Interactive Benefits Information Line or the Internet Account Information page to check on a claim or deposit, verify the status of your account(s), request forms, and more. It's available 24 hours a day, 7 days a week.

Call the automated **INTERACTIVE BENEFITS INFORMATION LINE** at: 1-800-865-FBMC (3262)

or
Log on to www.myFBMC.com and click on the "ACCOUNT" tab.

Either way, use your Social Security number (SSN) as your User ID to access the system. The first time you access the system your PIN will be the last four digits of your SSN. The system will then ask you to select your own confidential 4-digit PIN for future use.

IMPORTANT: The same User ID/PIN combination is used for the phone and Internet Interactive Benefits lines, as well as for ERA enrollment and Commuter Benefits transactions.

NEED MORE INFORMATION?

FBMC Customer Service: 1-800-342-8017

FIND ERA PROGRAM INFORMATION AND FORMS AT THE ETF INTERNET SITE: [HTTP://ETF.WI.GOV](http://ETF.WI.GOV)

FBMC will not discuss your account information with others without written authorization from you.

FBMC

Premier Benefits Solutions

Contract Administrator
Fringe Benefits Management Company
P.O. Box 1800
Tallahassee, FL 32302-1800
Customer Service 1-800-342-8017
1-800-955-8771 (TDD)
www.myFBMC.com

FBMC/WISQNF0/0108

EMPLOYEE
**REIMBURSEMENT
ACCOUNT
INFORMATION**



TIPS FOR SUBMITTING REIMBURSEMENT REQUESTS

HOW DO I FILE A CLAIM FOR REIMBURSEMENT?

After you incur eligible expenses, simply mail or fax a completed Employee Reimbursement Accounts (ERA) Reimbursement Request Form to Fringe Benefits Management Company (FBMC), along with legible documentation to support your claim, to the address below. You do not have to pay for the services before submitting a request for reimbursement, but you must actually receive the service before you can be reimbursed. Both medical and dependent care expenses can be requested on the same form. However, if the dates of provided services begin in one plan year and end in the next plan year, you must submit a separate reimbursement request for each plan year in which the services were provided. You may submit claims as often as you wish.

WHY DO I NEED TO SUBMIT THIS INFORMATION?

The documentation submitted with a claim helps FBMC to determine if the expense meets IRS regulations governing eligible expenses. For a medical expense to be eligible for reimbursement, it must meet the requirements of IRS Code 213(d), which defines medical care as the "diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body." Expenses for items or services that are used only to maintain general good health do not qualify for reimbursement. Dependent care expenses must meet the requirements outlined in IRS Code 129 to be eligible for reimbursement.

HOW MUCH WILL I BE REIMBURSED?

Medical expenses will be paid up to the annual amount you've elected to contribute to your account, even though the total amount has not yet been contributed. Dependent care reimbursement requests will be paid to the limit of the amount currently in your account. If you file a claim for more than your current dependent care balance, it will be held until additional contributions have been added to your account.

MAIL OR FAX ERA REIMBURSEMENT REQUESTS TO:

Fringe Benefits Management Company
P.O. Box 1800
Tallahassee, FL 32302-1800
TOLL-FREE FAX: 1-888-326-2658

Be sure to keep a copy of all documents for your records. If you FAX your request, you do not need to mail a copy.

WHAT IS THE "GRACE PERIOD"?

The IRS now permits a "grace period" of two months and 15 days following the end of the plan year during which medical expense account funds from one plan year may be used for medical expenses incurred through March 15 of the following year. The grace period applies to Medical Expense Accounts only. Dependent care expenses must be incurred by December 31 to be reimbursed from your current plan year funds.

WHAT IS THE DEADLINE FOR SUBMITTING REIMBURSEMENT REQUESTS?

The deadline (or "run-out period") for submitting both medical and dependent care claims for expenses incurred during the 2007 plan year, including the grace period, is April 15, 2008.

WHAT SHOULD I DO IF MY REIMBURSEMENT REQUEST IS REJECTED?

The most common reasons that claims are rejected are due to lack of supporting documentation, incomplete request forms, or requests for an ineligible expense. If a request is rejected, you will receive a statement listing the reason(s) the request was rejected. Simply resubmit your completed and signed request form and attach the missing documentation, if applicable. Review your ERA enrollment booklet or contact FBMC Customer Service if you have questions about eligible expenses.

1 Kiddy Kare Day Care Center
111 S. Nash Street, Tallahassee, FL 32302
Phone (904) 350-1224

2 DATE: 01/07/06

3 RECEIVED FROM: Jane Doe \$ 202.40

4 Two Hundred and two and 40/100 DOLLARS

5 In re: day care for Bobby for 2/15/05 to 2/30/06

6 Received by: K. Williams

IF THE CLAIM IS FOR ORTHODONTIA:

- 1) You may be reimbursed on a monthly basis by submitting a statement, bill or receipt that shows your monthly payment amount. If you paid an initial down payment at the start of treatment, that payment may be reimbursed at the time the orthodontic appliance is installed by submitting a receipt showing payment.
- 2) If you paid the full amount due up front when treatment began, submit a receipt showing the amount that was paid. Note that the reimbursement must be during the plan year in which the orthodontic appliance is first installed.

IF THE CLAIM IS FOR TRAVEL EXPENSES:

You may be reimbursed for travel expenses if the expenses were the result of travel that was primarily for, and essential to, receiving medical services. To request reimbursement, attach receipts for parking, tolls, lodging or other expenses related to the medical care, along with the statement, bill or invoice from your health care provider to validate your visit. You may calculate the mileage expense (effective 9/1/05, \$0.22/mile) on the actual bill/statement for medical care that resulted in your mileage claim. See your ERA enrollment booklet for the correct mileage rate for current plan year or contact FBMC Customer Service for more details about medically necessary travel expenses.

WHAT INFORMATION SHOULD I SEND WITH MY MEDICAL EXPENSE REIMBURSEMENT REQUEST?

A legible copy of a statement, bill or invoice, or Explanation of Benefits (EOB) from your insurance company (no cancelled checks or credit card receipts) must be included with your request form. It should include:

- 1 the name and address of the provider,
- 2 the date service(s) were received
- 3 the type of service(s) incurred.
If a prescription drug, the receipt must show the name of the drug and prescription number; if an over-the-counter (OTC) drug or supply, make sure the name of the item is clearly identified.
- 4 the cost of the service(s),
- 5 the name of the person(s) for whom the service(s) were provided (not necessary for over-the-counter drug receipts)

1 JANE DOE
111 S. NASH STREET, TALLAHASSEE, FL 32302
PATIENT No. 10001000-0000
PH. 10001000-0000

2 DATE: 08/04/05

3 ZITHROMAX 250MG TABS (Z PAK)

4 \$30.00

5 RECEIVED BY: MARY TOSSEGG

A Letter of Medical Need, Personal Use Statement, and/or Capital Expenditure Worksheet may be necessary if the medical services, procedures, medicines or other items may be used for either a medical purpose or a general health or cosmetic purpose. See your ERA enrollment booklet and the back of this brochure for more information.

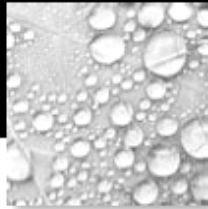
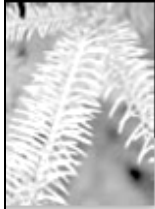
WHAT INFORMATION SHOULD I SEND WITH MY DEPENDENT CARE REIMBURSEMENT REQUEST?

A legible copy of a receipt, invoice or bill from your dependent care provider (no cancelled checks or credit card receipts) should be included with your request form. It should include:

- 1 the name, address, and Tax ID or Social Security number of the provider,
- 2 the date of receipt,
- 3 the cost of the service(s),
- 4 the name of the dependent(s) for whom the service(s) were provided,
- 5 the beginning and ending dates of the provided services,
- 6 and providers signature.

NOTE: If your provider signs your completed Reimbursement Request form and it provides all of the information noted above, you do not need to submit a copy of a receipt from the dependent care provider.

ERA Grace Period Q&A



The IRS recently issued Treasury Notice 2005-42 which permits the Employee Reimbursement Accounts (ERA) program to offer a 2 1/2 month "grace period" following the end of each plan year. Starting with the 2005 plan year, medical expenses for services provided through March 15, 2006 may be reimbursed with funds remaining from your 2005 ERA medical expense account funds. However, any unused amounts from the prior plan year that are not used for expenses incurred by March 15 remain subject to the "use it or lose it" rule and will be forfeited. This grace period rule applies only to medical expense accounts. Expenses reimbursed through a dependent day care account must still be incurred by December 31.

The deadline (or run-out period) for filing both medical expense and dependent care claims incurred during the plan year, as well as medical expenses incurred during the grace period, will be April 15, 2006.

The following are some basic questions and answers to help you understand how this Revenue Notice may affect your ERA account(s).

- Q. *How does the Revenue Notice affect my medical ERA?*
- A. The IRS Revenue Notice allows you to incur qualified medical expenses for the current plan year until March 15 of the following year, and to be reimbursed with unspent funds from your prior plan year account. For example, if on the January 1, 2006, you have \$200 left in your year 2005 medical expense account, you can incur medical expenses through March 15, 2006. These expenses will be paid until your 2005 medical expense account has been exhausted.
- Q. *How does the Revenue Notice affect my dependent care FSA?*
- A. The grace period has not been extended to the dependent care accounts because of unresolved issues with respect to employee reporting requirements. Form 2441 requires employees to report the total amount of dependent care benefits received during the year, which would appear to include benefits for expenses incurred during a grace period that were paid from the previous year's dependent care account. This would mean that an employee might have to pay tax on reimbursements that are in excess of the annual \$5,000 limit. The grace period will not be extended to dependent care accounts until the IRS addresses how employees are to treat amounts paid during a grace period.

- Q. *What is a grace period?*
- A. A grace period is the two months and fifteen days immediately following the end of the plan year, in which you or your qualified dependent(s) can incur qualified expenses and use any unspent funds from prior plan year account funds. The State of Wisconsin's grace period is January 1 through March 15.
- Q. *What is a run-out period?*
- A. A run-out period is the period of time in which a participant has to submit claims for reimbursement out of the prior plan year's account. The State of Wisconsin's run-out period is January 1 through April 15.
- Q. *How will my medical expense claims be paid during the grace period if I have a medical expense account for the previous year, as well as one for the and current year?*
- A. Claims will be paid in the order in which they are received. If you have an account balance in your prior plan year's medical expense account, and a claim is received with a date of service during the grace period, the expense will be paid from your prior plan year's account. If a claim is received, with a date of service in the prior plan year, and all funds have been paid from your prior plan year account, the claim will not be paid. For this reason, it is important to file claims as soon as your expenses have been incurred. This will help to assure that you maximize the use of your accounts for both plan years.
- Q. *Can I tell you which plan year I want my claims to be paid from?*
- A. Claims will be paid in the order in which they are received. You may not request for a claim to be paid from a specific plan year. However, you can control the order in which you submit or file your claims. Always make sure that you file older claims first to ensure that funds are paid from the previous plan year first.
- Q. *How should I calculate my future annual contributions for my medical expense accounts?*
- A. You should continue to use only twelve months of expenses for calculating your annual election amount for your medical expense account. The new Revenue Ruling is intended to provide a safety net for you only if you have not incurred all of your anticipated expenses during the previous plan year.
- Q. *What happens if I do not submit my reimbursement claims from the prior plan year by April 15?*
- A. If a reimbursement request is not submitted by the April 15 deadline, funds will be forfeited.

2.3 Do you offer debit card technology? If so, provide the following information:

Yes.

a) The type(s) of claims that may be paid using a debit card,

The Card is currently used for Medical Expense FSA customers.

The Card is used like any other payment card by simply swiping it at the healthcare provider and/or drugstore. The Card can also be used for Over-the-Counter (OTC) expenses.

Our Card, which operates on the Visa® platform, provides a third method for FSA reimbursements (in addition to direct deposit and checks). The Card can be used, in lieu of cash, at the point of service. It electronically accesses and debits a participant's account when an eligible expense is incurred.

The Card provides employees easy access and convenience which, in turn, can lead to increased participation, contributions and utilization of the FSA program. Our Card solution adds value, saves time and money and tends to result in improved customer satisfaction.

FBMC has approximately 60,000 FSA customers that use the Card for reimbursement of their eligible expenses. Utilizing the Card allows a participant to have access to their funds without any out-of-pocket expense.

b) The processes/systems that are used for adjudicating claims (provide a systems diagram and data flowchart for the interaction that occurs with the debit card vendor),

The IRS requires that 100% of claims be substantiated – either electronically or manually. Claims must be substantiated with supporting documentation from the participant and/or an independent third party or through the safe harbors allowed by IRS ruling 2003-43 and 2006-69.

Auto-substantiation is electronically verifying that account funds were used for eligible expenses, according to IRS regulations. A high auto-substantiation rate means that participants will not need to submit as many paper receipts. Fewer receipt requests translate into increased convenience and reduced cost for the participant.

FBMC offers each of the IRS-approved auto-substantiation methodologies:

- Transactions presented to the FBMC claims system from a merchant who utilizes the Inventory Information Approval System (IIAS) automated adjudication process
- Known co-pay matching (employer provides FBMC with a periodic health care plan data file)
- Mail-away drug programs
- Recurring prescriptions

IIAS (Inventory Information Approval Systems)

FBMC's system interacts with IIAS-certified merchants to auto-substantiate Over the Counter (OTC) items purchased at their stores.

Transactions presented to the FBMC claims system from a merchant who utilizes the IIAS will be automatically adjudicated in our system since the purchase was adjudicated at the point of sale.

Card participants that purchase eligible supplies (such as OTC drugs or prescriptions) at an IIAS-certified merchant have their claims auto-adjudicated at the point of sale without the need for any additional paperwork from the participant.

We have included a current listing of IIAS-certified merchants in *Exhibit D*. We also post this list on our website for participant access.

Known Co-Pay Matching

Through the use of a *current benefits* data file periodically exchanged with the employer, FBMC auto-substantiates Card transactions that are for co-pays at doctors' offices, hospitals, and any other medical provider that is covered through the Card participant's health insurance provider.

FBMC matches known co-pays to the Merchant Category Codes (MCCs) and the participants' individual health plan to auto-adjudicate known co-payments and the payment of recurring expenses of the same amount and provider.

This includes multiple co-payments, up to five times. For example, a doctor's office visit has a \$10 co-pay. We adjudicate exact matches of multiple co-payments for the same benefit, up to a maximum of five times the dollar amount of the co-pay: \$10+\$10+\$10+\$10+\$10; and/or multiple co-payments for the same benefit in combinations of co-payments: \$5+\$5+\$40+\$25+\$10, up to a maximum of the largest co-pay amount.

Merchant Category Codes

Card transactions are controlled by MCCs. The codes ensure that if a transaction is attempted from a merchant that is not a Health Care provider or pharmacy, it will not be accepted. For example, a doctor's office MCC is 8011; an amusement park's MCC is 7996. If a transaction is presented with an MCC of 8011 and the Cardholder has an available balance, then the transaction will be approved. If a transaction is presented with an MCC of 7996, it will be declined, even if there are available funds, because MCC 7996 is neither a Health Care provider nor a pharmacy.

Supporting documentation of Card transactions is required for:

- Expenses that are not a fixed co-payment
- Rx expenses that are the lesser of the allowed charges, (except those eligible purchases made at an IIAS merchant)
- OTC expenses, if not purchased at an IIAS merchant

FBMC's preferred methodology for requesting supporting Card documentation from a participant includes:

- Provision of a monthly Account Activity Statement (which lists outstanding expenses);
- Provision of a real-time e-mail to the participant which notifies them that the Card expense requires supporting documentation be sent to FBMC
- Participants are notified during any toll-free calls to our Call Center

FSA participants are able to submit their supporting documents via toll-free fax or on-line.

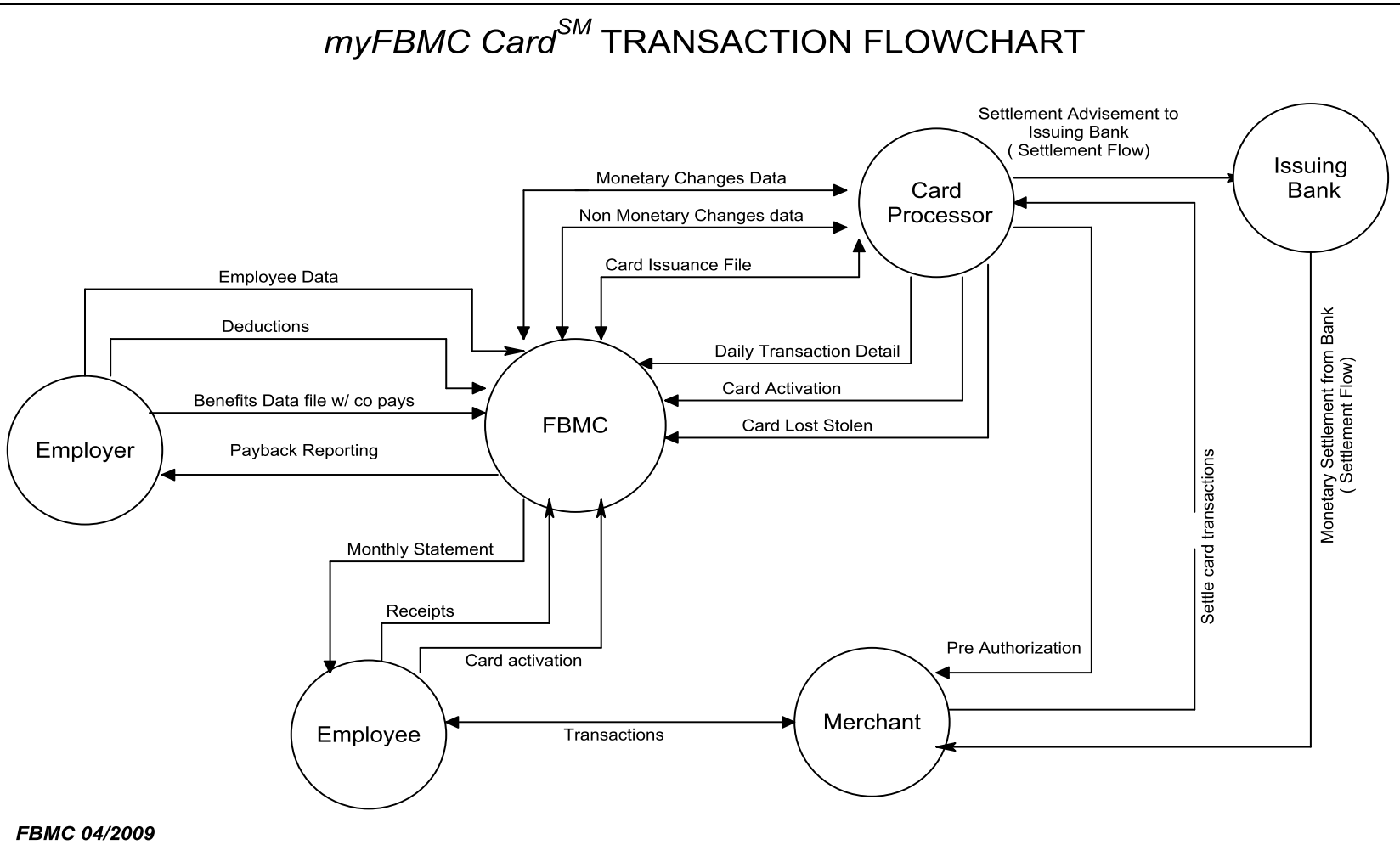
Our Customer Care Specialists have online access to all information pertaining to payment Card transactions. They are able to provide customers with information relative to Card status, transactions, reimbursements and non-payments. Through Captaris scanning and imaging technology, our Customer Care Specialists can relay complete, up-to-date information.

Benefit participants also have real-time access to their account information online; www.myFBMC.com, and through our Interactive Voice Response (IVR) 24/7

The myFBMC CardSM can be used during simultaneous run-out and grace periods. Claims are automatically applied to any prior Plan Year available balance before accessing funds from the current Plan Year balance.

The myFBMC CardSM banking institution requires a maintenance deposit that is equal to the total amount of annualized participant contributions, divided by 365 and then multiplied by 14 days, which can be deposited after the enrollment is completed and before the new Plan Year effective date.

myFBMC CardSM TRANSACTION FLOWCHART



FBMC 04/2009

c) The processes or systems that are subcontracted to a third-party vendor,

The only subcontractor for the Card will be:

TSYS (*Total System Services, Inc.*) <http://www.tsys.com>
1600 First Avenue
Columbus, Georgia 31902-2567

TSYS is the myFBMC CardSM processor. They process Card transactions through their payment card system.

TSYS makes it possible for millions of people to make paperless payments safely and securely. Recognized as the market leader, they provide electronic payment services to financial institutions and companies around the globe. They work behind the scenes to offer unmatched flexibility, control and service quality to their customers through a broad range of innovative issuing and acquiring payment technologies, including consumer–finance, credit, debit, healthcare, loyalty, prepaid, chip and mobile payments.

TSYS global headquarters is located in Columbus, Georgia, with local offices spread across the Americas, EMEA and Asia–Pacific. TSYS serves more than 300 clients worldwide, including relationships with more than half of the top 20 global banks.

TSYS invests more than \$40 million annually in technology improvements.

d) The controls employed to avoid overpayments and/or payment of ineligible claims

The eligibility of medical expenses for reimbursement using the *myFBMC Card*SM is controlled by Merchant Category Codes (MCCs) and the Inventory Information Approval System (IIAS) merchant process.

The MCCs ensure that transactions attempted from a merchant that is not a medical provider or drugstore will not be accepted.

If a participant tries to pay for an *ineligible* expense using the Card, the claim will be rejected at the point-of-service and the participant will need to pay for the expense using another alternative (cash, check, credit card). If the participant believes the expense is eligible, a claim form and receipts can be submitted on-line or via toll-free fax for adjudication by FBMC.

If the participant tries to pay for *eligible* expenses using the Card, the claim will be reimbursed at the point-of-service. *The participant will not need to submit any further documentation if the claim can be auto-substantiated (see response to question “e” below).*

Claims that could not be auto-substantiated will still be paid, provided the expenses are eligible. Subsequently, the participant will be notified that additional documentation is required. FBMC’s preferred methodology for requesting supporting Card documentation from a participant includes:

- Provision of a monthly Account Activity Statement (which lists outstanding expenses);
- Provision of a real-time e-mail to the participant which notifies them that the Card expense requires supporting documentation be sent to FBMC

- Participants are notified during any toll-free calls to our Call Center

Supporting documentation of Card transactions is required for:

- Expenses that are not a fixed co-payment
- Rx expenses that are greater than the allowed charges, (except those eligible purchases made at an IIAS merchant)
- Over the Counter (OTC) expenses, if not purchased at an IIAS merchant

Participants may view their account information online, anytime. Comprehensive Card transaction instructions are also included on monthly Account Activity Statements. Participants can call Customer Care (toll-free) for a denied claim explanation. Our Customer Care Specialists have online access to FSA account information and can typically provide details about the denial during the initial call.

When an *myFBMC Card*SM transaction cannot be auto-substantiated, FBMC uses the following methods of resolution, permitted by Revenue Ruling 2003-43:

- Notify the customer and request additional information (e-mail, Account Statement)
- Auto-Substitution - Any approved, out-of-pocket, reimbursement request amounts will be applied to outstanding *myFBMC Card*SM transactions before any remaining out-of-pocket reimbursement requests are paid.
- Suspend Card privileges
- Payback through payroll
- Reclassification of the expense as post-tax income

e) The process for recovering overpayments or ineligible claims,

There are three ways to recover overpayments of ineligible or unsubstantiated claims:

- Automatic substitution
- Payback through payroll
- Manual payback of funds via check from the participant

Automatic Substitution

If a customer submits a paper claim prior to submitting proper documentation, a portion or the total amount of the paper claim will be applied to the outstanding card transaction, thus closing the transaction and “paying” back the plan.

Payback through Payroll

If permitted by the client’s state laws, the client agrees to provide a separate post-tax payroll slot for payback deductions. FBMC sends a data file to the client which includes participants that have outstanding overpayments or unsubstantiated Card expenses, and the client deducts this amount from the participants’ paycheck through the post-tax slot.

f) The debit card suspension/reinstatement process

If documentation needed to substantiate a Card expense is not received prior to the creation of the next monthly statement, and the transaction has appeared two subsequent times on a monthly statement, the card is temporarily suspended until:


- Documentation is received;
- Automatic substitution occurs; or
- A payback from payroll is taken (or re-payment from participant via check)

The Card is automatically reinstated upon resolution of the outstanding expense through one of the above methods.

- g) Communications that are provided to eligible employees, employers and potential merchants informing them of the card (Provide a copy of the Terms and Conditions, if applicable, that will be issued with the debit card to a participant.),**

Samples of communications provided to FSA participants, as well as the Terms and Conditions, are included in *Exhibit A*.

We have also included several samples on the following pages.



The image shows a blue and white myFBMC Card. The card features the text "myFBMC CardSM" at the top. Below this, it displays a card number "4000 1234 5678 9010", the name "VALUED CUSTOMER", and the expiration date "GOOD THRU 02/12". The card is a VISA DEBIT card, with the VISA logo and "DEBIT" text visible. The card is set against a background of green and blue wavy lines.

Under IRS guidelines, FBMC requires that myFBMC CardSM participants submit documentation for certain card transactions, such as those that are not a known office visit or prescription co-payment.

You can use the card at dozens of retailers that are Inventory Information Approval System (**IIAS**) merchants for prescriptions and OTC purchases. The card can also be used at health care providers, dentists and eyeglass retailers. To see if a store near you is IIAS-compliant, check the IIAS Merchant List at www.myFBMC.com.

see *Payment Card* FAQs at www.myFBMC.com

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myFBMC CardSM
4000 1234 5678 9010
GOOD THRU 02/12
DEBIT
VISA
VALUED CUSTOMER

FBMC
Premier Benefits Solutions

JOHN H SMITH
1234 DRIVE RD
ANYWHERE, TENN. 12345-6789

00000000000142
Account Activity
Fringe Benefits Management Company
Customer Service 1-800-342-8017
www.myFBMC.com

Employer: TBR
Plan Year: 10/1/2007 - 9/30/2008
Statement Closing Date: 5/31/2008

Thank you for choosing the following Tax Favored Account(s). Please refer to our Web site (www.myFBMC.com) for more detail on the activity listed. The transactions shown reflect all activity that posted to your account for the period listed above. If you have outstanding Payment Card transactions (in blue), please note the special instructions listed in that section to avoid card suspension. Balances may not match what is on the website. This statement reflects balances as of the end of a statement period while balances on the website are updated daily.

AVAILABLE BALANCES
Medical Expense FSA - Current Plan Year: \$217.50

Outstanding Payment Card Transactions

Transaction Date	Posting Date	Reference #	Description of Activity	Debits	Credits
05/07/2007	05/07/2007	84506293	Reimbursement - Payment Card		
		84506293	CVSPHARMACY #0710 Q03TAL	-\$43.84	

ITEMS IN BLUE REQUIRES THAT DOCUMENTATION is provided IMMEDIATELY in order to avoid SUSPENSION of your card. If this is the SECOND TIME that an item has appeared in blue, the PAYMENT CARD WILL BE SUSPENDED ON THE LAST BUSINESS DAY OF THIS MONTH. The outstanding item will continue to be reported in blue each month until the following business day. Documentation for services must include the name of the provider, date of service, amount of service and the name of the person who received the service. All documentation must be provided with a Claim form which is available at www.myFBMC.com <<http://www.myFBMC.com>> , or by calling FBMC at 1-800-342-8017. Please fax the documentation to 1-866-440-7145.

Medical Expense FSA - Current Plan Year

Transaction Date	Posting Date	Reference #	Description of Activity	Debits	Credits
05/07/2007	05/07/2007	84506293	Reimbursement - Payment Card		
05/15/2007	05/11/2007	84506293	CVSPHARMACY #0710 Q03TAL	-\$43.84	
05/25/2007	05/25/2007		Payroll Contribution		\$26.92
			Payroll Contribution		\$26.92

see *Payment Card* FAQs at www.myFBMC.com

FBMC
Premier Benefits Solutions

h) Any fees that may be charged directly to the participant and the employer

Fees for the Card, if any, are reviewed in the Cost Proposal.

i) Any current process improvement or future enhancement being developed for the debit card.

Card enhancements under consideration and/or development include:

- Inclusion of a Dependent Care FSA Card “purse”
- Establishment of a “general spend purse”

The concept of the general spend purse is that the Card could also be used to issue reimbursements to participants by loading the Card with the value of the reimbursement rather than issuing a check or direct deposit transaction. Advantages of this approach include the elimination of the wait time for the reimbursement to be sent through the mail or exposing the reimbursement to possible theft. When the claim is adjudicated and the Card is loaded, the participant is sent an e-mail notifying him/her that a withdrawal can be made from the Card at a convenient ATM.

2.4 Provide an example of an explanation of reimbursement that would be sent to a participant. Include examples of explanations sent to participants whose claim was partially or wholly rejected.

A sample of an Explanation of Reimbursement and Explanation of Non-Payment is included in *Exhibit B*.

2.5 What is the average turnaround time and the guaranteed maximum turnaround time for claims processing currently provided for your clients. (Claims processing turnaround time is from the date of receipt of a valid claim by the Contract Administrator to the date a check is mailed or electronically transferred to the participant. The turnaround time for dependent care and QTB claims may be counted from the time money is available in the participant's account to the date an authorized claim is paid.)

FBMC’s average turnaround time is three to five business days, and our guaranteed maximum turnaround time for payment of processable claims is 95% authorized within 5-business days.

For 2008, Wisconsin participants filed 58,490 claims, of which 99.9% were paid within the established Performance Guarantee.

2.6 How do you handle the following:

a) incomplete claims (i.e. claims which are not or cannot be processed due to missing information or documentation),

If a submitted claim does not meet IRS requirements, it is denied. The participant is then notified that the claim is not eligible for adjudication and why.

If a portion of the transaction does meet IRS requirements, the eligible portion is adjudicated, paid and closed and the ineligible portion is denied. The participant is then notified what is needed to complete the process. Unique authorization codes are assigned to all transactions for tracking purposes.

Participant Account Activity Statements will indicate when a claim is *Awaiting Documentation*, and FBMC provides a variety of forms online; www.myfbmc.com, designed to facilitate eligible claim substantiation.

b) dependent care claims that exceed available funds,

Dependent Care requests that are approved for payment are paid as funds are available in a participant's account, based on the payroll data received. FBMC's system audits the files to ensure that payments have not been made above the approved limit, for more than the participant's annualized amount or for more than the current account balance.

If the participant's available balance is insufficient to fund a claim, the claim will be pended until the account balance is sufficient to allow reimbursement, at which point the claim is automatically reimbursed.

c) lost checks,

When participants contact Customer Care to report that a check wasn't received or was lost, Customer Care sends an e-mail message to the Claims Services Team to see if the check was returned or cashed. If the check was not returned or cashed, Customer Care will initiate a stop-payment through our Customer Inquiry Referral process. These inquiries are sent directly to Accounting, who initiates a stop-payment request, which is then forwarded to the bank.

Once FBMC receives bank confirmation that the stop-payment was received, Accounting will send an e-mail to the Claims Services Team, requesting the issuance of a new check. Once the stop-payment has been processed by the Claims Services Team, it is hand-delivered to Accounting where a replacement check is issued.

When direct deposit transactions aren't completed, FBMC's Accounting Team initiates a trace. Once the bank confirms a deposit was returned, a manual request is submitted to the Claims Services Team, along with a confirmation notice from the bank that provides a brief explanation as to why the deposit was returned. The Claims Services Team verifies the bank account information it has on file against what the bank has submitted. The direct deposit account that was initially set-up in our system is then closed and the transaction is voided. Checks are then issued to the participant's home address until new direct deposit information is received by FBMC.

d) contributions received in error,

Our master file records are checked with each incoming payroll deduction/reduction file. Comparative analysis identifies the accuracy of the actual incoming funds with the expected annual, projected contribution amount. Exceptions are rejected by the system and require reconciliation by an Account Specialist on our Deduction Management Team.

Exceptions are reported to the client to ensure proper reconciliation of the discrepancies (for example, a Change in Status that has not yet been processed).

Erroneous contributions are returned to the client as soon as the error has been confirmed.

e) reimbursement claims paid in error,

If FBMC determines that a claim was paid in error, the participant is notified via letter or e-mail and is asked to repay the account. If not repaid, any future claim that the participant submits during the same Plan Year for the same account can be used to repay the account by the amount of the overpayment. Any excess funds would then be reimbursed to the participant at the time the claim is adjudicated and the overpayment is offset.

f) outstanding checks.

Our standard services include the provision of an annual Stale-Dated Check report, which would be mailed by June 30th (for clients with calendar-year Plan Years). All checks outstanding for twelve months are cancelled and the funds credited back to the client's plan account.

2.7 Does your company provide for direct deposit of participant reimbursements?

Yes, direct deposit is included as a standard service.

2.8 Does your company offer online submission of claims (e.g. online submission of reimbursement requests through a secure web application)? If so, provide details.

Yes, FBMC provides online claims submission for its participants. Claims are submitted through www.myfbmc.com, the customer website. Scanned documents can be uploaded to FBMC's system by the participant.

An image of the instructions provided to participants to explain this process is included on the next page.

Online Claims Submission Instructions

Follow these simple instructions to submit your completed claim form and supporting documentation online through www.myFBMC.com. Instructions are also available online, or contact **FBMC's Customer Care Center** for assistance.

Please note:

- Acceptable document formats are **.jpg, .bmp or .gif**.
- Individual file sizes cannot exceed **1 megabyte**.
- Be sure to have your **completed claim form** and **supporting documentation** scanned before beginning the process. Refer to your scanner's instruction manual for information on saving your documents in the proper format and within the acceptable file size limit.

How to Submit your claim:

1. To use FBMC's Online Claims Submission process, you must first log in to your account at **www.myFBMC.com**.
2. Once you have logged in, click on the **"Claims"** tab at the top of the screen, then choose **"Online Claims Submission"** from the drop down menu.
3. From here, simply follow the online instructions:
 - Choose the account type for which you are submitting a claim.
 - Enter the dollar amount of the claim in the appropriate box.
 - Click **"Next"**.
4. Follow the instructions on the next page:
 - Attach your completed and signed claim form.
 - Attach your supporting documentation (receipts, invoices, etc).
 - Click **"Submit"**.
5. Be sure to write down the confirmation number for future reference.

If you receive any errors or the confirmation page does not load, it is possible that the file sizes of your scanned documents exceeds 1 megabyte or they are not the appropriate document format. Double-check the file sizes and make adjustments if necessary by rescanning the oversized documents and making sure they are .jpg, .bmp or .gif files. Contact **FBMC's Customer Care Center** if you have any questions.

Part 3.0 Enrollment

3.1 Provide a detailed written narrative describing the approach that will be used to provide accurate and comprehensive information about each program's policies and procedures to eligible employees throughout the State.

The State and FBMC will finalize a timeline that includes all activities pertaining to the enrollment during the implementation phase.

In addition to providing printed and electronic communications materials to educate employees, FBMC will also provide group and individual employee counseling during the annual Open Enrollment period.

FBMC engages approximately 10 Enrollment Counselors to attend enrollment meetings throughout Wisconsin during the annual Open Enrollment period.

Approximately 45 or more enrollment presentations will be scheduled over a five to six week period statewide based on the schedule of enrollment meeting dates, locations, and times specified by the State.

FBMC's Client Liaison, through contacts with state agencies, schedules sessions throughout the State during Open Enrollment. These are comprised of individual and, when requested, group presentations. The one-on-one discussions at these events are very effective.

Benefit Fairs provide an opportunity to discuss the FSA and QTB programs with individuals who visit our booth and, if requested, we will make a formal group presentation. The FSA and QTB information sessions usually involve only FBMC representatives, and we locate in an office or conference room to receive those employees who are interested in the program, or are familiar with the FSA and QTB programs but have specific questions or matters they want to discuss. Frequently, these sessions will start off with a group presentation, followed by a group question & answer period, then evolve into individual discussions.

Topics to be discussed can include:

- How the ERA and QTB programs can benefit the employee through the use of pre-tax dollars;
- Discussion of IRS eligibility requirements;
- Enrollment procedures;
- Change In Status situations and procedures;
- Termination of employment/retirement procedures;
- Rapid Refund Authorization;
- Customer Care (Both FBMC & Client Liaison);
- Estimating the amount to contribute to an ERA account;
- "Use it or lose it" – year-end forfeitures explained;
- Eligible ERA expenses – Medical and Dependent Care;
- Claim procedures;
- Impact of the ERA program on Social Security and the WRS system; and
- Information concerning Paper, IVR or internet Benefits enrollment Information.

Additional enrollment support will be provided by FBMC via toll-free access to our Customer Care Department from 6:00AM to 9:00PM (CST), Monday through Friday.

Our Customer Care Specialists will be thoroughly trained prior to commencement of the enrollment concerning the benefits to be enrolled and the enrollment schedule. They will be prepared to offer bilingual support and access for the hearing impaired for the following enrollment-related services for State employees:

- Answer questions about the State's ERA and QTB benefit program
- Provide enrollment meeting locations and times
- Counsel employees on benefits, tax-savings analysis, and guide employees in completing forms or how use IVR or internet enrollment systems
- Enroll employees via our Internet application.

3.2 Furnish a detailed timeline of the steps that will be taken to ensure that all eligible employees are given the opportunity to enroll and that all necessary tasks have been completed to effect participant payroll deductions by the first pay period of 2010. (The first paycheck for employees who are paid monthly is January 4, 2010. The cut-off date for check processing is mid-December, 2009. The first paycheck for employees who are paid bi-weekly is January 14, 2010. The cut-off date for check processing is late-December, 2009.) Indicate what will be done, when, and who will be responsible for each step.

For reference, a detailed timeline for program implementation, enrollment and administration is provided in response to question 8.1, which is in the *Transition, Implementation and Turnover section (Part 8.0) of the proposal.*

A brief summary of the steps and timeline that will be associated with assuring that all eligible employees have the opportunity to enroll, and that their associated payroll deductions will be initiated timely, follows.

There are at least seven key components that must be addressed during the implementation phase in order to assure maximum program exposure to all eligible employees. These components include:

Eligibility Data – Acquisition of eligibility data to ensure FBMC has up-to-date and accurate eligibility information in order to manage the enrollment process.

A testing phase is initiated early during implementation (June-August), and an up-to-date (live) eligibility data file is obtained from the State and agencies immediately prior to enrollment start.

Communications – Development of all educational/informational materials in printed and electronic format for distribution to employees prior to annual Open Enrollment start

All communications materials are developed during the implementation period and are reviewed and approved by ETF prior to printing and distribution according to the locations and quantities determined during implementation. Development and distribution takes place from July through September.

Enrollment Counselor Training – Selection and training of Enrollment Representatives to attend pre-scheduled meetings throughout Wisconsin during the annual Open Enrollment period. Selection and training of Enrollment Counselors takes place in September and October.

Web and IVR enrollment modules – Preparation and deployment of the Web and IVR modules used to accurately enroll all interested employees in the FSA and QTB programs.

Programming and set-up of the Web and IVR modules takes place from July through September.

Confirmation of Benefits (Welcome) Kits – Preparation and distribution of statements to employees that formally notifies them of enrollment elections they have made, and the amount scheduled to be deducted on a per-pay-period basis. Employees have the opportunity, during enrollment, to specify how many pay periods the associated deductions will be taken from their payroll. This number of pay periods selected is used by FBMC to calculate the appropriate payroll deduction amounts.

Welcome Kits are sent out immediately following enrollment and are typically mailed out during October and November.

Enrollment Data – FBMC sends enrollment data files to all agency payroll centers in order to initiate payroll deductions associated with the FSA and QTB programs, according to the pre-established payroll schedule FBMC receives from all Wisconsin agencies.

Enrollment data, used for payroll deduction initiation, is sent in December, according to the pre-established payroll deduction deadlines for each agency.

3.3 Describe in detail the process used to accurately enroll eligible employees in each program using IVR, internet, and/or paper. Include information relating to employee accessibility, employee User ID's and PIN's, process for handling inaccurate or incomplete submissions, data transfer to employers, enrollment data backup and security, etc.

FBMC designs and develops marketing strategies in partnership with its clients. Our goals are to educate and to promote participation. Specifics of each campaign vary by client.

Our on-site Client Liaison, Bill Aye and our Tallahassee team work together to develop and implement Wisconsin's open enrollment activities. Bill Aye has performed as our on site Client Liaison for the past 10 years and worked with the State of Wisconsin program for a total of 13 years. The Client Liaison is responsible overseeing all on-site enrollment activities.

During August, FBMC contacts work locations throughout the State of Wisconsin to coordinate and schedule enrollment fairs or benefit education sessions. FBMC has utilized a group of Enrollment Counselors who return each year to educate and enroll State employees in the program. Once the schedule is developed and the Enrollment Counselors are assigned, the Client Liaison supervises on-site enrollment activities, ensuring full coverage of scheduled work locations. If a work location was not included on the original schedule, FBMC works to accommodate late requests for enrollment support.

The Client Liaison conducts training of Enrollment Counselors the week prior to the open enrollment. Topics include but are not limited to: a review of IRS regulations governing tax-favored accounts, a review of the Internet and IVR enrollment process, a review of

the appeals process administrative procedures for the program as well as a review of tax advantages of tax-favored accounts.

The Client Liaison coordinates with Enrollment Counselors regarding work locations and on-site activities and the Account Manager oversees enrollment activities at the home office.

FBMC's comprehensive enrollment approach includes the following activities:

- Creation of detailed Communication and supportive Educational Materials
- Enrollment booklets include separate, comprehensive descriptions of each benefit being enrolled. PDF versions are posted on the ETF website prior to open enrollment and throughout the Plan Year.
- Web-based educational videos are provided, in which FBMC's Account Manager provides detailed information about the FSA and QTB benefits
- Web-based enrollment for FSA and QTB benefits, which allows employees to enroll in their benefits at their convenience
- Paper-based enrollment forms for FSA and QTB benefits for employees that are not able to enroll on-line.
- Provision of hardcopy enrollment forms which are used for new hire enrollment throughout the plan year.
- Enrollment announcement materials are developed in coordination with ETF; electronic newsletters, e-mails, payroll inserts, flyers, posters, may be provided.
- On-site enrollment presence is provided during the annual Open Enrollment period
- FBMC's Customer Care Specialists will be available toll-free, 15 hours daily to educate employees that have questions about their benefits, the enrollment process or schedule

During the development process, business rules are defined and edit checks for the on-line enrollment system are established. Employees will receive warning messages throughout their enrollment when required fields are missing or are not in the correct format. When eligibility information is available, employees are presented with a personalized form that contains their own demographic information and they are offered only those benefits for which they are eligible.

FBMC's in-house Communications Team develops customized enrollment materials for ETF. An experienced Copywriter (Rik Bist) and Graphic Designer (Maria Stephens) have been assigned to coordinate the design and production of the State's materials:

FBMC's Communications Team has received numerous Awards for Publications Excellence (APEX) in Employee, Benefit & Membership Communications. In fact, FBMC has received the honor of an APEX for seven consecutive years. For example, FBMC won the 2008 APEX Award for its work on Palm Beach County (Florida) School District's enrollment materials.

Employees will be able to enroll on-line, for FSA and QTB benefits, through www.myfbmc.com. Enrollment will be available via toll-free bilingual IVR and through the FBMC website.

A separate toll-free helpline is available during the Open Enrollment period for employees that need enrollment assistance.

FBMC assigns a unique 16-digit User ID number for State employees. It is used for all communications with participants about their accounts. Employees use this number and their unique 4-digit PIN to enroll through the IVR system. They can also use their 16-digit User ID as an identifier on claim forms.

Enrollment online can be accomplished by clicking the “ERA Open Enrollment” link on the ETF website or by direct access at www.myfbmc.com. Employees log-in using their registered e-mail address and a password.

The current web-based enrollment provides audit tracking for:

- Changes to benefit elections made by either the employee or an administrator on the employee’s behalf
- Successful and unsuccessful login procedures for employees, administrators and our Customer Care Specialists
- Summary pages that provide immediate, visual election confirmation during the enrollment process
- Hardcopy enrollment forms, which may be submitted by participants
- Administrator additions and edits of online employee system accounts
- Printed or e-mail event information

Confirmations are printed and mailed at the completion of the Open Enrollment period.

FBMC will send data files to the State agencies, using secured transmissions, in order to provide the State agencies with information needed to establish payroll deductions on a bi-weekly or monthly basis. Pre-established schedules are provided to FBMC for the transmission of monthly and bi-weekly payroll data to the various agencies.

All systems are backed-up using full and incremental back-ups, as appropriate via digital linear tape (DLT), linear tape-open (LTO) and advanced intelligent tape (AIT) media. On-site back-up tapes are stored in a fireproof safe; off-site back-up tapes are stored in a climate-controlled secure vault.

We continuously measure and monitor the infrastructure and software performance, especially during usage peaks. Annual, post-enrollment site usage and performance analysis is conducted to identify opportunities for improvement across the hardware/network infrastructure and within the application code.

Web and IVR enrollment instructions provided to employees, which are included in the enrollment booklet, are included on the following pages.

Screenshots of the FSA and QTB web enrollment system are included in *Exhibit G*.

Enrollment Information

When can I enroll?

Open Enrollment October 6 – November 14

Current employees must enroll in the Medical Expense Reimbursement Account and/or the Dependent Care Reimbursement Account for the 2009 Plan Year during the Open Enrollment period. (You do not need to re-enroll for Automatic Premium Conversion. Your participation will continue automatically.)

How do I enroll during open enrollment?

There are two fast and easy ways to enroll:

- **Telephone** – Call toll-free (1-800-847-8253), then follow the voice prompts.
- **Internet** – Log on to <http://www.myFBMC.com> or go to the Employee Trust Funds internet site and then click on the “ERA Open Enrollment” link.

Call or log on anytime between October 6 and November 14, 2008. The enrollment line closes at 9 p.m. CT on November 14, 2008. Be sure to write down your Confirmation Number before ending your enrollment session over the telephone or on the Internet.

Important Information About Your User ID and Personal Identification Number (PIN)?

FBMC has implemented a unique sixteen-digit employee account number to identify your account. This number will be used in all communication with you about your ERA account and you may use it on your FBMC claim forms in lieu of your Social Security number (SSN). This number will also serve as your User ID on the FBMC Interactive Voice Response (IVR) telephone system. You may obtain your FBMC employee account number via the FBMC Web site, the FBMC IVR phone line or by calling FBMC Customer Service.

Using myFBMC.com:

You may access your FBMC Account Number, as well as other ERA account information, via the Internet at www.myFBMC.com. If you have used the site since January 19, 2008, and are already registered, just enter your e-mail address and password under the “Registered Users” heading.

If you have not registered, select the “Click Here to Register a New Account” link under the “New User” heading. You will be asked to enter your name, zip code and e-mail address. You will also be asked to supply your FBMC Account Number, Employee ID or SSN, as well as an eight-character password. If you already know your 16-digit FBMC Account Number, you may use that. If you don't know your FBMC Account Number, you may enter your SSN. If you prefer, you may call FBMC Customer Service to obtain your 16-digit FBMC Account Number.

After you have submitted the required information, a confirmation will be sent to the e-mail address you provided so that FBMC can verify that it is valid. This confirmation e-mail will contain a verification link that you must click in order to complete the registration process.

After this one-time registration has been completed, you will only need your e-mail address and password to access your account information at www.myFBMC.com or to enroll on-line during the open enrollment period.

Using the Interactive Benefits phone line:

To access your account information, including your FBMC Account Number, via the Interactive Benefits IVR phone line, call **1-800-865-FBMC (3262)** and follow the prompts. To log on initially, use your SSN as your User ID and your four-digit password, the same password you used if you enrolled last year via the phone system. If you have not used the FBMC Interactive Benefits phone line before, your PIN is the last four digits of your SSN. You will be required to change the PIN to one of your choosing. **(Note: The IVR phone system will only accept a 4-digit PIN. If you use both the IVR system and the FBMC internet site to access your ERA account information, you will have two different passwords.)**

On the IVR system, a recording of your FBMC Account Number will be a menu item. Please be sure to write it down for future reference. This account number may be used as your User ID whenever you access your personal account information or enroll via the IVR phone system.

If you forget your FBMC Account Number or Password:

If you forget or lose your FBMC Account Number, simply log back in to the FBMC Web site. The number is listed on the first menu page. If you use the Interactive Benefits IVR phone system, log on using your SSN and PIN. Your FBMC Account Number will be noted as a menu item on the IVR system.

If you forget your internet password, simply click on the “Forget Your Password?” link under the login box. An e-mail will be sent to your registered e-mail address that will provide instructions on how to choose a new password. If you use the IVR phone system, call or send an e-mail to FBMC Customer Service to have your password reset.

If you have any questions, please contact FBMC Customer Service at 1-800-342-8017, or click the Contact link on the myFBMC.com homepage.

ERA Enrollment Guide

Internet Enrollment: <http://www.myFBMC.com> or <http://etf.wi.gov>, then click on the "ERA Open Enrollment" link
Telephone Enrollment: 1-800-847-8253

THIS IS NOT AN ENROLLMENT FORM. USE THIS GUIDE TO MAKE YOUR ENROLLMENT VIA INTERNET OR TELEPHONE FAST AND EASY. CALL THE MADISON HELP LINE LISTED BELOW IF YOU NEED A PAPER FORM.

USER ID	<input style="width: 95%;" type="text"/>
<p>FBMC has implemented a sixteen-digit account number. This number will serve as your User ID in lieu of your Social Security Number (SSN) when enrolling via the IVR phone system. See Page 7 for information about how to obtain your FBMC Account Number.</p>	
PASSWORD	<input style="width: 95%;" type="password"/>
<p>See Page 7 for information about your password.</p>	
WORK LOCATION NUMBER (Refer to the list on Page 10)	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
<p>Your work location may not be properly identified if you are a new employee or have recently changed jobs. Call the Madison Enrollment Help Line if your work location is not properly identified.</p>	
NUMBER OF PAYCHECKS	<input type="checkbox"/> <input type="checkbox"/>
<p>Employees paid bi-weekly will receive 26 paychecks in 2009. Employees paid monthly may receive 12 paychecks if they have a full-year appointment. Those with less than a full-year appointment, i.e. 6 months, 9 months, 10 months etc., should use the appropriate number.</p>	
WORK PHONE NUMBER	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> - <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> - <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
E-MAIL ADDRESS	<input style="width: 95%;" type="text"/>
<p>This information is used solely for program administration. In no event will it be sold or used for any other purposes.</p>	
ERA annual deduction amounts: (include decimal for Internet)	
Medical Expense Annual Amount (Minimum = \$100; Maximum = \$7,500)	\$ <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> . <input type="checkbox"/> <input type="checkbox"/>
Dependent Care Annual Amount (Minimum = \$100; Maximum = see below)	\$ <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> . <input type="checkbox"/> <input type="checkbox"/>
TAX FILING STATUS (DEPENDENT CARE ACCOUNTS ONLY)	
<input type="checkbox"/> MARRIED, FILING SEPARATELY (\$2,500 MAXIMUM)	
<input type="checkbox"/> MARRIED, FILING JOINTLY (\$5,000 MAXIMUM)	
<input type="checkbox"/> SINGLE, HEAD OF HOUSEHOLD (\$5,000 MAXIMUM)	
Write your Confirmation Number here: (Keep for future reference) 	
<p>IF YOU HANG UP OR QUIT BEFORE YOU RECEIVE A CONFIRMATION NUMBER, YOUR BENEFIT SELECTIONS HAVE NOT BEEN SAVED AND YOU ARE NOT ENROLLED. IF YOU ENROLL ONLINE, PLEASE PRINT THE SUMMARY PAGE FOR YOUR RECORDS.</p>	

You can change your election through the Internet or telephone system at any time during Open Enrollment. See Page 7 for specific instructions. No changes can be made after the plan year begins unless you experience a qualifying change in status event. See Page 20-22 for more information about change in status events.

TROUBLE ENROLLING? CALL THE MADISON HELP LINE TOLL-FREE AT 1-866-966-5577.

▶▶▶▶ HOW TO ENROLL

Getting Logged On to the FBMC Web Site

State of Wisconsin employees may enroll in CBP anytime throughout the year by going to etf.wi.gov and clicking on the "Commuter Benefits" link at the bottom right side of the page or by visiting www.myFBMC.com. If you are enrolled in the Employee Reimbursement Accounts (ERA) program and already have a USER ID and Personal Identification Number (PIN), you should log in to FBMC's Web site using the same User ID/PIN combination. If you are not enrolled in the ERA program (or have not logged into the FBMC Web site before) you must log on to the site as a first time user by entering your Social Security Number (SSN) in the USER ID field and the last four digits of your SSN in the PIN field. At that point you will be prompted to select a confidential PIN for future access to the Web site.

After you have logged in to the FBMC Web site, click on the "ACCOUNTS" tab, then select the "MyQTB (Commuter Benefits)" link from the pull-down menu. A window will open with links that will allow you to order transit and

IMPORTANT! Employees must have an e-mail address in order to enroll in the CBP. Your order will be confirmed by e-mail.

parking benefits, check your claims, request reimbursement and review your transactions.

Enrolling in the Commuter Savings Program

From the "My QTB" page, click on the "ORDERS" link to set up a new order. You can order transit passes or parking benefits by using the navigation buttons, and then follow through the subsequent screens. Before you start the process for electing a parking benefit, it is a good idea to get a copy of your parking invoice or contract to use as reference. Once you finish filling out the necessary information you will be taken to a page that shows your new order. If the order is accurate, click on the button to complete the purchase. After the order has been submitted, you will receive a confirmation e-mail verifying your order.

www.myFBMC.com

In order to...	Click the...
Access the Commuter Benefits Web page for benefit enrollments, changes and cancellations	"ACCOUNTS" Tab, then "MyQTB (Commuter Benefits)" – the MyQTB Web page will appear
Request reimbursement for transit and parking expenses through Online Claims Submission	The "REIMBURSE ME" link from the "My QTB" page
Request reimbursement for transit and parking expenses through a Paper Claim Form	"RESOURCES" Tab in upper right corner – select "Forms & Instructions" from the pull-down menu, then click on the link for the 'Commuter Benefits Program Reimbursement Request Form'

3.4 Describe your company’s experience in conducting enrollments via internet and IVR, in addition to paper forms. List clients for whom this type of enrollment has been offered, the number of eligible employees, and the number of employees who enrolled.

FBMC has been conducting web and IVR enrollments for its clients since 2000, and paper forms since 1976. We initially utilized the services of several subcontractors to host and conduct these enrollments prior to transitioning the processes to our own operating system.

Prior to and concurrent with offering web enrollments, FBMC has utilized virtually every available enrollment option to enroll employees in the available benefits.

FBMC offers employee education and enrollment through any combination of services (i.e. group presentations, worksite-based Enrollment Counselors, toll-free phone access, web-enrollment, etc.), whichever method is convenient to the State and its employees.

We are equally proficient in conducting all types of enrollments; our objective is to guide employers in selecting the options most suitable for their needs, budget and employees.

Because not all employees have internet access, we typically offer a paper enrollment in conjunction with the automated processes. This also typically involves new hires and Changes in Status.

All of FBMC’s enrollment options include toll-free, bilingual telephone access to skilled and knowledgeable Customer Care Specialists, Monday through Friday, 6am-9pm and on Saturdays, from January through April, 8am-2pm (CST), excluding holidays.

FBMC offers its internet enrollment services for approximately 500,000 eligible employees of its current clients. We develop and configure the enrollment system based on client enrollment requirements and business rules.

Examples of clients utilizing FBMC’s web enrollment services include:

<i>Client</i>	<i>Eligible Employees</i>	<i>Employees Enrolled</i>
Miami-Dade County Public Schools	44,190	44,129
Jackson Health System	10,405	9,925
Duval County Public Schools	13,500	13,500
St. Louis Public Schools	4,400	3,654
State of New York	225,000	17,186
State of South Carolina	189,000	20,835
State of New Jersey	126,000	6,161

3.5 Describe, in detail, the security measures employed to assure the privacy and security of confidential information on the internet and IVR enrollment systems.

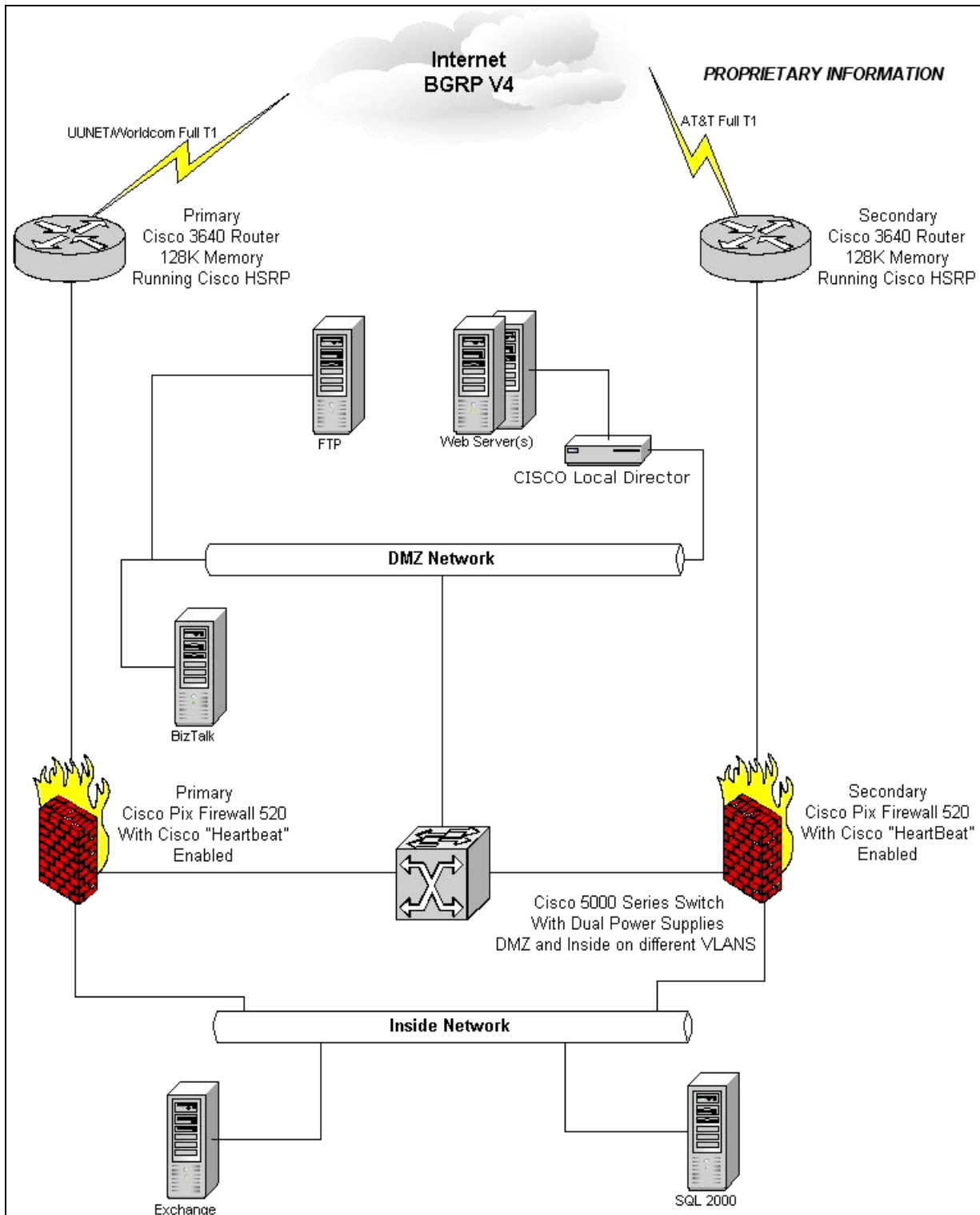
FBMC provides secure online enrollment access through Secure Sockets Layer (SSL) technology and *individual employee e-mail address and password combinations*. 128-bit encryption is supported with auto-sensing and customer notification with a browser utilizing 40-bit encryption.

The following information reveals the layers of security in place that protect our online enrollment network and data:

Safeguards:

- Dual Firewall protection at all public network access
- Router restrictions for addressable IP addresses only
- Utilization of DMZ (de-militarized zone) for web servers
- Network and server monitoring including:
 - Network Sniffers
 - RMON Probes
 - Monitoring software (such as HP Openview)
 - Device monitoring software
 - Security analysis software, which generates weekly reports
- Logging servers to track all activity
- Network/packet forensics logging
- Network intrusion detection systems
- All sensitive data utilizes public key infrastructure (PKI) for client exchanges and SSL from web servers
- Business to business (B2B) transactions utilize dual encryption. SSL for transport of employee election data to and from enrollment application and enrollment/eligibility data payload has sensitive data pre-encrypted (1024 bit encryption)

An image representing network security mechanisms utilized to assure the privacy and security of confidential information on the internet is included on the following page.



3.6 Provide access to IVR and internet enrollment demonstration sites, if available.

The Wisconsin Web and IVR enrollment sites are only available during the annual Open Enrollment period. A dedicated toll-free number and website is utilized.

When the Wisconsin IVR enrollment number is active, the enrollment text begins:

- “Welcome to the Interactive Benefits Enrollment Line for the Employee Reimbursement Account Program”.
- “Please enter your social security number or your 16-digit account number, followed by the pound sign”
- “Please enter your PIN number, followed by the pound sign”
- “To review your benefits for <current plan year>, press 1”
- “To select your benefits for <new plan year>, press 2”

To view a demonstration of the Qualified Transportation Benefits enrollment website:

<https://demo.flexcommute.com/webui>

username: *fbmcsm101*

password: *demo*

We have included a screen shot from the Wisconsin FSA enrollment page on the next page, followed by several screenshots from the QTB enrollment website.



Please see *Exhibit G* to view more complete screenshots of the FSA and QTB online enrollment processes.

MyFBMC - 2007 Plan Year Enrollment - Microsoft Internet Explorer provided by FBMC

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites Media Print Copy Paste

Address <https://at.myfbmc.com/enroll/c710/p2007/Default.asp> Go Links

Home
Benefits
Claims
Accounts
Profile
Resources


Home > Benefits > 2007 Plan Year Enrollment
Forms | Contact | Logout

News

- [9/27/2006] FBMC announces exciting enhancements to EZ REIMBURSE® Cardholders!
- [5/25/2006] FBMC celebrates 30 years
- [4/20/2006] Fringe Benefits Management Company (FBMC) of Tallahassee, FL announced that it has acquired 21st

FAQs

- General FAQ
- Flexible Spending Accounts
- 401(k)
- Enrollments
- EZ REIMBURSE® MasterCard® Card



Welcome

SAMPLE TEST Plan Year: 2007

Welcome to the 2007 State of Wisconsin ERA Program Enrollment.

Welcome to the 2007 Employee Reimbursement Accounts Program (ERA) Internet Enrollment System. The State of Wisconsin continues to make your enrollment process more convenient by offering enrollment via the Internet and the telephone.

Before you enroll, carefully review the entire 2007 ERA Benefits Booklet to become comfortable with your selections. You can use the **Enrollment Materials** link located under the Benefits tab or the Resource tab at the top of the screen to access an online version of the book. Use your completed Enrollment Guide from the ERA Benefits Booklet to assist you as you complete your Internet or telephone enrollment (1-800-847-8253).

IMPORTANT INFORMATION!

Internet

Transportation Benefits - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites Refresh Print Copy Paste Links Customize Links FBMC Web Home Page Free Hotmail

Address <https://demo.flexcommute.com/WebUI/default.aspx> Go Open PDF in

Google C commuter check Go 134 blocked Check AutoLink AutoFill Send to commuter Settings

Commuter Benefits


- home
- transit order
- parking order
- order history
- my account
- help
- close window

Transportation Benefits Online Ordering Platform

Benefit Month: February
Order By: 01/10/2009

Fringe Benefits Management Company

Transit Home
Commuter Benefits Information



Welcome, 51c37ee8-0 FBMCompany1

Delivery Address:
101 Main St
Anywhere, NV 32303
[\[Edit Profile\]](#)

Instructions:
Please use the menu bar on the left side.

Current Transit Order


Transit Reimbursement	Qty: 1	Cost: \$115.00	\$115.00	edit remove
METRA Monthly Pass	Qty: 1	Cost: \$139.05	\$139.05	edit remove
MTA/NYCT \$2.00 Access-A-Ride Coupon	Qty: 1	Cost: \$2.00	\$2.00	edit remove
Total Estimated Cost:			\$256.05	

Estimated Pre-Tax Amount Applied To Payroll: \$115.00
Estimated Post-Tax Amount: \$141.05

Monthly Recurring: YES

This order will be created on a monthly basis.

Parking Home
Parking Benefits Information



Welcome, 51c37ee8-0 FBMCompany1

Commuter Benefits

- home
- transit order
- parking order
- order history
- my account
- help
- close window

Order Your Transit Product

Benefit Month:
Order By: 05/16

Transit Authority Information

Greater Metro Area: Madison

Transit Authority: Badger Bus
www.badgerbus.com

Product Name

- Goerkes Corners to Madison 10-Ride Pass
- Johnson Creek Outlet to Madison 10-Ride Pass
- Johnson Creek Outlet to Milwaukee 10-Ride Pass
- Milwaukee to Johnson Creek Outlet 10-Ride Pass
- Milwaukee to Madison 10-Ride Pass
- Mitchell Airport to Johnson Creek Outlet 10-Ride Pass
- Mitchell Airport to Madison 10-Ride Pass

[Back](#)

Commuter Benefits

- home
- transit order
- parking order
- order history
- my account
- help
- close window

Order Your Transit Product

Benefit Month:
Order By: 05/16

Transit Authority Information

Greater Metro Area: Madison

Transit Authority: Metro Transit (Madison)
www.mymetrobus.com/

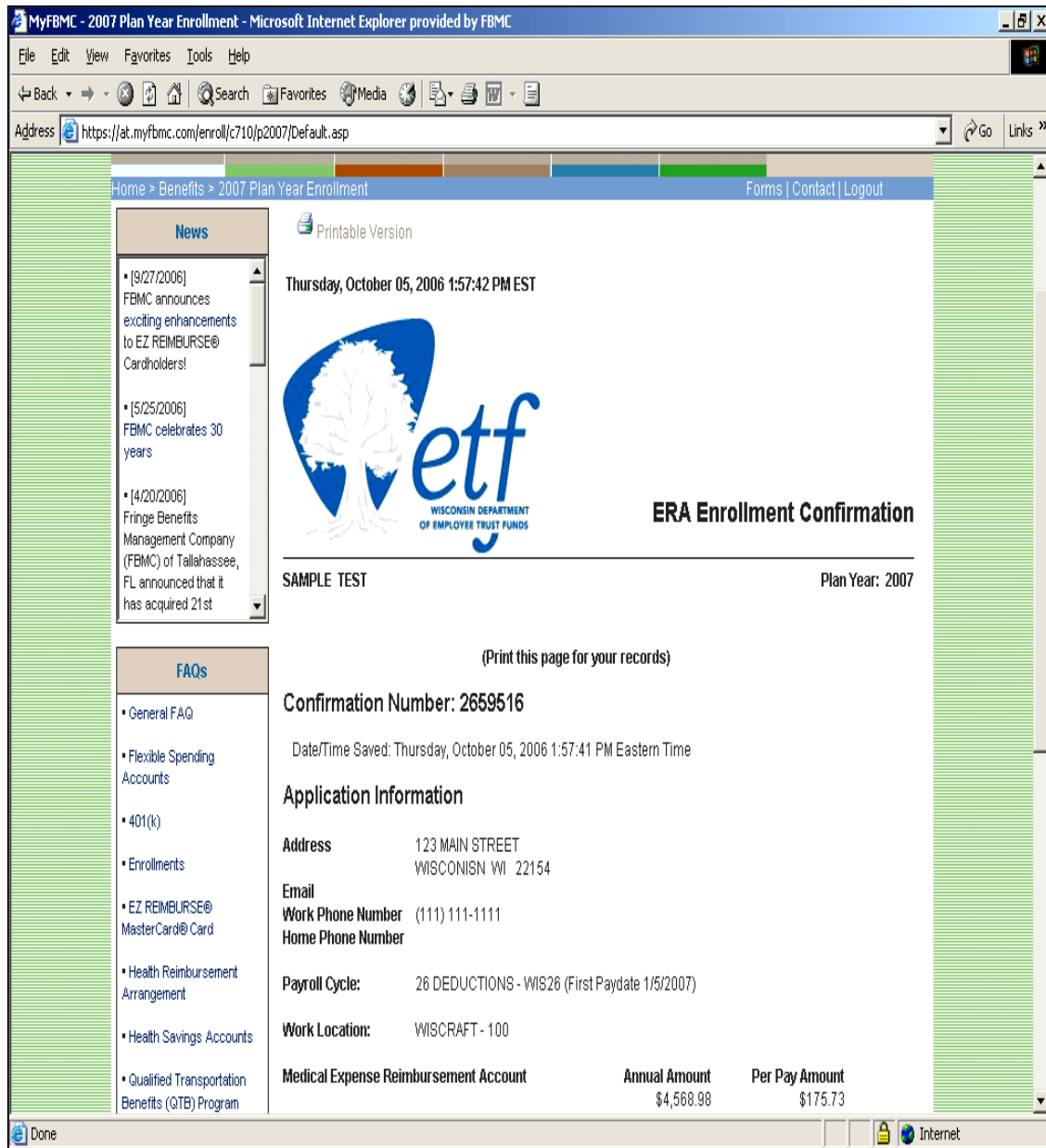
Product Name

- 10-Ride Cards
- 31 Day Pass
- Paratransit Tickets
- Senior/Disabled 10-Ride Pass
- Senior/Disabled 31-Day Pass

[Back](#)

3.7 Provide an example of an enrollment verification statement and any program information that may be sent to participants upon enrollment in each program.

A sample of an enrollment confirmation statement is included below. The program information sent to participants upon enrollment is included in the Confirmation of Benefits (Welcome) Kits. A sample is included in *Exhibit B*.



MyFBMC - 2007 Plan Year Enrollment - Microsoft Internet Explorer provided by FBMC

Address: https://at.myfbmc.com/enroll/c710/p2007/Default.asp


Home > Benefits > 2007 Plan Year Enrollment

News

- [9/27/2006] FBMC announces exciting enhancements to EZ REIMBURSE® Cardholders!
- [5/25/2006] FBMC celebrates 30 years
- [4/20/2006] Fringe Benefits Management Company (FBMC) of Tallahassee, FL announced that it has acquired 21st

Printable Version

Thursday, October 05, 2006 1:57:42 PM EST

 **etf**
WISCONSIN DEPARTMENT OF EMPLOYEE TRUST FUNDS

ERA Enrollment Confirmation

SAMPLE TEST Plan Year: 2007

(Print this page for your records)

Confirmation Number: 2659516

Date/Time Saved: Thursday, October 05, 2006 1:57:41 PM Eastern Time

Application Information

Address: 123 MAIN STREET
WISCONSIN WI 22154

Email:

Work Phone Number: (111) 111-1111

Home Phone Number:

Payroll Cycle: 26 DEDUCTIONS - WIS26 (First Paydate 1/5/2007)

Work Location: WISCRAFT - 100

Medical Expense Reimbursement Account	Annual Amount	Per Pay Amount
	\$4,568.98	\$175.73

FAQs

- General FAQ
- Flexible Spending Accounts
- 401(k)
- Enrollments
- EZ REIMBURSE® MasterCard® Card
- Health Reimbursement Arrangement
- Health Savings Accounts
- Qualified Transportation Benefits (QTB) Program

3.8 Indicate the proposed number of enrollment representatives that will be utilized to conduct informational sessions during the annual ERA enrollment period. Include information about the qualifications of the enrollment representatives. Describe the program policies and the procedure that will be followed by the Contract Administrator to monitor the training and performance of the enrollment representatives. Include an outline of the topics that will be covered during the employee ERA enrollment/information sessions.

FBMC hires nine or 10 Enrollment Counselors during each annual enrollment period. *Each of them has at least three years experience working with FBMC in this capacity.* One Enrollment Counselor is assigned to work in the Madison office to support the Enrollment Representatives in the field, take incoming customer calls on the Enrollment Help line, and handle payroll office inquiries. The majority of the Enrollment Counselors have previously provided enrollment services for the State of Wisconsin. Enrollment Counselors come from a variety of backgrounds including retired State of Wisconsin payroll supervisors, accountants, insurance agents etc.

Our Client Liaison prepares and handles the on-site Enrollment Counselor training. The training includes an overview (presented by the client) of healthcare changes for the upcoming Plan Year, a review of IRS regulations governing tax-favored accounts, a review of the Internet and IVR enrollment application administrative processes and procedures for the program, and a review of tax advantages of tax-favored accounts.

The Client Liaison is in constant contact with the Enrollment Counselors throughout the open enrollment period, resolving scheduling or other issues as they arise. Alicia Schaeffner, the Account Coordinator, works directly with the Client Liaison, Customer Care and the Implementation Team to identify and communicate problems, corrections or other information throughout the enrollment period.

The Client Liaison supervises all on-site enrollment activities, ensuring full coverage of scheduled work locations. If a work location was not included on the original schedule, FBMC works to accommodate late requests for enrollment support.

The Client Liaison conducts training of Enrollment Counselors the week prior to the open enrollment. Topics include but are not limited to: a review of IRS regulations governing tax-favored accounts, a review of the Internet and IVR enrollment process, a review of the appeals process administrative procedures for the program as well as a review of tax advantages of tax-favored accounts.

3.9 Identify the person(s) whose primary responsibility will be to coordinate enrollment activities, including supervision and training of enrollment representatives, if applicable. Include their position, qualifications, experience, and location (local or home office). Describe how enrollment responsibilities will be coordinated between the home and local office staff, if applicable.

Our on-site Client Liaison and Alicia Schaeffner, our Tallahassee-based Account Coordinator work together to develop and implement Wisconsin based open enrollment activities. Bill Aye has performed as our Client Liaison and worked on site with the State of Wisconsin program for the last six years (See Bill's biography in Section 4.1.2.c). Alicia Schaeffner, Account Coordinator, is located in Tallahassee and supports Bill and other team members in providing client services to the State.

The Client Liaison is responsible for the oversight of all on-site enrollment activities. The Account Coordinator provides an interface with the on-site enrollment staff, the Implementation Team and our Customer Service staff. As various situations arise, problem resolution takes place and is communicated to the appropriate FBMC departmental staff members.

During August, FBMC contacts work locations throughout the State of Wisconsin to coordinate and schedule enrollment fairs or benefit education sessions. FBMC has utilized a group of enrollment representatives who return each year to educate and enroll State employees in the program. Once the schedule is developed and the Enrollment Representatives are assigned,

The Client Liaison coordinates with Enrollment Representatives, work locations and on-site activities and the Account Coordinator oversees enrollment activities at the home office.

3.10 Describe the procedure used for processing mid-year enrollments for newly hired or newly eligible employees.

The State provides FBMC with an eligibility file on a pre-established basis. Newly eligible employees receive enrollment materials and forms from their payroll officer. Customer Care staff provides toll-free, bilingual enrollment counseling for newly eligible employees including benefit education and enrollment form submission procedures.

Enrollment forms are turned into the payroll officer who initiates the payroll deduction. Forms are sent to FBMC for data entry into our system.

Upon receipt of enrollment forms, FBMC completes the data entry process (including dual data entry edits). If the employee eligibility data is not in our system, FBMC contacts the Client Liaison for eligibility information. Eligibility data is entered into the system and allows for data entry of the enrollment elections.

The enrollment form is scanned and indexed for storage and future retrieval. A Confirmation Notice is generated and mailed to the participant's home address.

Employees interested in participating in the QTB program enroll online. As an optional service, FBMC offers an online solution for new hires interested in enrolling in the FSA program.

3.11 Provide detail of the procedure that will be followed when participants who experience a Change in Status (CIS) event wish to change their ERA election. Include information about:

a) the staff who are responsible for processing the CIS requests,

FBMC's on-site Client Liaison processes all CIS requests and coordinates payroll deductions for these changes with each payroll center. Employees can obtain a CIS form from the Client Liaison, online through the ETF or FBMC website, or by calling the Customer Care Center. CIS forms are processed by the Client Liaison, who communicates the approval, denial of the request. The Client Liaison works with the payroll center and FBMC to initiate deduction changes and establish records in the FBMC system. After data entry has been completed, a Confirmation Notice is generated and mailed to the employee's home address.

As an optional service, FBMC also offers online New Hire and Change in Status handling in conjunction with the online enrollment service for the FSA program.

b) the criteria used to approve or reject a participant's change request,

The criteria we use to approve or reject a participant's CIS request is based upon agreed procedures developed by FBMC and the ETF. The CIS must also satisfy the IRS Consistency Requirements. Eligible CIS events include:

- Change In Your Legal Marital Status
- Marriage, death of spouse, divorce, legal separation, and annulment
- Change In Number of Your Tax Dependents
- Birth, death, adoption, and placement for adoption
- Changes In Employment Status That Affect Eligibility
- Change in the employment status of the employee, the employee's spouse, or the employee's dependent; termination or commencement of employment; strike or lockout; commencement of or return from an unpaid leave of absence; and change in worksite.
- Dependent satisfies or ceases to satisfy eligibility requirements
- Dependent satisfies or ceases to satisfy eligibility requirements for coverage on account of attainment of age, student status, or any similar circumstance
- Change in Place of Residence (Your Own, Your Spouse or Dependent). (Dependent Care Accounts Only)
- Changes in Cost or Coverage (Dependent Care Accounts Only)
- Cost increases or decreases, significant service curtailment, open enrollment under spouse's plan
- Certain Judgments, Decrees, or Court Orders (Medical Expense Accounts Only)
- Eligibility for Medicare or Medicaid (Medical Expense Accounts Only)

Generally, a CIS satisfies the Consistency Requirements only if the change is on account of and corresponds with a CIS that affects eligibility for coverage under an employer's plan. In addition, for Dependent Care accounts only, an election change also satisfies the consistency requirements if the election change is on account of and corresponds with a CIS that affects dependent care expenses.

Participants are asked to retain a copy of documentation supporting the mid-plan year CIS request. Examples of documentation are marriage licenses, divorce decrees, birth certificates, etc.

FBMC's Madison office reviews, on a uniform and consistent basis, the facts and circumstances of each properly completed and timely CIS form.

If the requested change is authorized, a copy of the form is forwarded to the participants' payroll office and to FBMC's Tallahassee office to process.

The effective date of any change(s) will be the first day of the month on or following the date a valid CIS form is received by FBMC's Madison, WI Office.

If the CIS request is denied, participants have 30 days from the date of the denial to file an appeal with FBMC. Appeal procedures are in the “Appeals Process” section appearing in the enrollment booklet. FBMC may engage ETF in the appeals process as necessary.

c) the process used to properly reinstate an employee after a lapse in coverage, following Treasury Regulation rules;

If the lapse in coverage is a result of a Qualifying Event, the employee must complete a CIS form.

d) the method for calculation of the annual amount for mid-year contribution amount changes or enrollment.

There will be split periods of coverage for Health Care or Dependent Care FSAs. Contributions to-date are subtracted from the new annualized amount and divided by the number of remaining deductions.

e) Include a sample form that is provided to participants who file a request to change their election amount due to a CIS and any material that will be provided to participants to communicate the requirements of CIS requests.

A sample CIS form is included in *Exhibit A*. The material that is provided to participants to communicate the requirements for CIS requests is included on the CIS form and in the enrollment booklet. A sample of the enrollment booklet is also included in *Exhibit A*.

Part 4.0 Customer Service

4.1 Describe your company’s philosophy and approach to enabling customer service representatives to respond to questions or problems relating to Section 125 and Section 132 plans. Include a description of the initial and ongoing training, supervision, systems support, quality assurance, performance standards, and performance improvement measures offered to customer service staff. Provide sample materials, if possible.

FBMC recognizes that Customer Care is the core activity that will guarantee success. FBMC believes in empowering its Customer Care Specialists (CCSs) with the authority, training and information access necessary to permit them to handle nearly all incoming calls on the first call without the need to call the customer back or to refer the caller to a staff member on another team. Our CCSs have access to all claims, benefits and enrollment data in our system.

Call Center employees have only one function: responding to incoming calls and e-mails from customers. They do not open mail or pay claims. This service methodology is very different from many of our competitors.

FBMC’s CSSs are the first point of contact for all participants inquiring about their benefits. CSSs provide general benefit information during open enrollment and throughout the Plan Year. They also are available to assist employees with on-line web enrollments, telephone enrollments through IVR and completion of paper enrollment forms (if these are the client’s selected methods).

Our CCSs will be fully trained on the specific benefits offered to State employees prior to enrollment start and will be prepared to answer questions about the enrollment process and the FSA and QTB benefits being enrolled.

FBMC's entry-level Customer Care Specialists receive thorough training during their first six-weeks of employment, which includes 240 hours of classroom instruction, interactive videos, skills assessment and supervised, on-site, on-the-job training, prior to providing unsupervised telephone coverage. Initial education includes unique client plan specifics, benefit products and services, enrollment processes, claims adjudication, FSA and COBRA/Retiree services, software applications and system tools, administrative procedures and service delivery information. They also learn payroll-deduction, data-exchange and reimbursement procedures, §125 rules and regulations, telephone etiquette, problem resolution techniques and tax-savings analysis.

Prior to annual enrollment periods and periodically throughout the plan years, Care Specialists also attend client-specific training sessions. Plan nuances and special conditions and/or requirements are discussed (in depth) and action plans and contingencies are developed for implementation. This permits FBMC's Customer Care Specialists to provide detailed, client-specific information (such as rates, benefit offerings and paycheck impact) to program participants. When new products, services, benefits or plan changes are implemented, Care Specialists are trained on those as well.

Telephone professionalism and interpersonal skills are essential components of the training, designed to sensitize trainees to client and customer needs.

Customer Care training modules include:

- Introduction and Applications of the Total Quality Management (TQM) philosophy
- In-Bound Answering and Listening Techniques, by the Telephone Doctor
- Calming Upset Customers – Staying Effective During Unpleasant Situations
- Basic Business Writing
- Self-Managing Work Groups
- Attitude – Your Most Priceless Possession
- Great Customer Service on the Telephones
- Understanding Claims Adjudication

Throughout the course of the training period, new employees partner with an experienced mentor who will observe and monitor live customer interactions. A series of tests are utilized to assess the proficiencies of the new Customer Care Specialist and to determine when they have demonstrated attained competencies necessary to begin assisting customers without live monitoring.

A Subject-Area Expert (SAE) from each functional team (Claims Administration and Services, Benefits Continuation, Card Services, Deduction Management, and Client Services) participates in all Customer Care training. A full-time, corporate instructor is assigned to the Customer Care Center for new hire training, as well as coordination and development of continuing education and development.

Customer Care Specialists also participate in mandatory, general training programs conducted each year; all FBMC employees must complete at least 12 hours of training annually, offered by experts in a variety of employee benefits industry-related topics. Selected courses must receive management approval. A wide variety of employer-paid, career development opportunities are available to FBMC employees. Team Managers

encourage their team members to maintain Individual Development Plans (IDPs), which function as a foundation for career advancement, as well as the basis for meeting departmental and company-wide Business Plan Objectives (BPOs).

The continuous education of our Customer Care Specialists is so important that successful participation in ongoing training is a significant factor in individual internal performance evaluations.

In FBMC's Customer Care Center, we impose stringent, internal quality control performance standards and work diligently to adhere to them. Written confirmations are not sent for standard phone inquiries.

The following controls are in place to measure accuracy and track customer interactions:

- All incoming calls and e-mails are recorded and archived for a minimum of one year. Our Team Leaders monitor a minimum number of interactions taken by each Customer Care Specialist weekly. A scoring evaluation sheet is completed and each interaction is assessed a grade between 0% and 100%. In order to improve proficiency and effectiveness, each Customer Care Specialist is given feedback from the monitored sessions that identify individual training needs.
- Each Customer Care Specialist is required to enter remarks into our database for every customer interaction; comments are then available for review. These historical customer records facilitate effective follow-up. Reports are created regularly to ensure that our customers are receiving quality service.

Each customer interaction is identified with codes, dates and times of contact, along with any additional appropriate information. Interactions requiring a return call are earmarked and returned within 24 to 48 hours, depending upon the additional research required. Complaints are identified within the call tracking system by assigning a specific call category code and are promptly referred for prompt resolution and response.

- Current measurement standards used to assess performance include:
 - Average telephone speed of answer
 - Abandoned telephone call average
 - Written responses to written inquiries
 - Telephone calls and e-mails returned time

Our measurement standards are modified as dictated by good management practices and our clients' service expectations.

Sample Call Center training materials specific to the State program are included in Exhibit E.

4.2 Describe your company's procedures for responding to inquiries, from receipt of a question by telephone, e-mail, FAX, or letter to complete resolution. What is the normal turn-around time for reply to inquiries?

FBMC's Customer Care Specialists have access to all stored customer information, including deduction, enrollment, remittance and call data. Incoming documents are scanned and available through desktop computers. Access to all customer data enables our Customer Care Specialist to completely satisfy more than 90% of incoming questions during initial customer contact.

Each customer inquiry is recorded and logged. Participant inquiries, concerns, issues and their resolutions are identified with codes, as are call dates and times, along with any additional details needed to provide complete, quality customer care. Inquiries requiring research are flagged for follow-up and returned within 24 to 48 hours, depending upon issue complexity. Complaints are promptly referred to an appropriate, responsible party for resolution and response.

When participants contact our Customer Care Center, they are asked to submit personal information into the Interactive Voice Response (IVR) system (phone contact) or on the web-Customer Care contact form (e-mail contact). Information entered by the participant enables a system database search that will verify the customer's identification and generate customer-specific screen pops for the Customer Care Specialist, which facilitates prompt assistance. If the participant does not provide information initially, the call or e-mail is automatically routed to the next available Customer Care Specialist who will then verify the customer's identification.

All calls, e-mails, inbound facsimiles and interaction details are captured and stored for future retrieval, if necessary. Customer Care Specialists are required to update every customer account with comments regarding each interaction.

Our tracking system allows for convenient inquiry referral if information is required from another functional team within FBMC. If a Customer Care Specialist is unable to provide resolution during initial contact, an inquiry is sent to the appropriate functional team requesting additional information or research. Inquiries are sent electronically through the database and by e-mail to a pre-determined group within the functional team to which the inquiry is being sent. The Functional Team Manager assigns all inquiries to personnel within the receiving group and research is then performed. The Inquiry Tracking System is updated upon identification of the issue, resolution of the concern and provision of the necessary information to the participant.

Customer Care Center personnel run reports daily to identify inquiry referrals that were completed by other functional teams within the past 24 hours. Call patterns involving informal customer complaints are quickly identified by Customer Care Management. Once identified, issues and resolutions are shared with all Customer Care Specialists (by meeting and/or e-mail) so that similar issues and resolutions can be promptly communicated in the future.

4.3 For the past year, provide the following:

a) the total number of inquiries handled by the Customer Service department,

FBMC received 23,622 inquiries from State employees during 2008.

b) the average hold time,

The average hold time was 1:22.

c) the abandoned call rate,

FBMC's abandoned call rate for the State of Wisconsin averaged 2.75% in 2008.

d) percent of telephone inquiries resolved during the initial call,

89% of the telephone inquiries were resolved during the first call.

e) percent of telephone inquiries resolved within 24 hours of initial call.

97.2% of telephone inquiries were resolved within 24 hours of the initial call.

f) total number of e-mail inquiries,

FBMC received 2,369 e-mail inquiries from Wisconsin customers in 2008.

g) average time that e-mail inquiries were answered.

FBMC's average response time for Wisconsin e-mails was 98.5% responded to within three business days.

4.4 If applicable, provide information about any specialized telephone/computer system used by your Customer Service area.

FBMC utilizes a Customer Care Solution provided by Syntellect (formerly Apropos). This integrated, state-of-the art system enhances our ability to serve customers, track all interactions and provide our clients with periodic reports of call activity. The system:

- Includes e-mail, voice, web chat, Interactive Voice Response (IVR) and fax transactions
- Includes inbound voice, outbound voice, voice messaging and callback request capabilities
- Allows FBMC to store historical records of all customer and client interactions including voice recordings
- Provides IP telephony (voice traffic over network/internet)
- Allows FBMC to centralize telephone system administration and replace dated equipment
- Identifies callers just before the Customer Care Specialist receives the call to expedite and improve service

FBMC's Customer Care Center utilizes a Siemens HiPath 4000 phone system with 48 local and 120 lines of toll-free, long-distance lines. We periodically increase the number of phone lines to assure that our Customer Care Specialists can respond to high call volumes and provide customers with immediate assistance. The system utilizes a ROLM CallStat Automatic Call Distribution (ACD) multi-line feature to direct incoming calls, which are immediately answered with a polite, automated greeting and a request for unique customer information. Customers initially receive an invitation to utilize the automated Interactive Voice Response (IVR) system to check their account information. If the IVR voice prompt is not followed, the call will be forwarded to the next available Customer Care Specialist.

Intelligent routing ensures that callers are promptly matched with an available Customer Care Specialist. To assure service quality, voice interactions are recorded and reviewed regularly. Internal performance evaluations are conducted to ensure that correct information is always being provided to our customers. We also make voice recordings available for our clients' review, upon request.

The customer information initially received by the system enables an automatic database search and generates screen pops on the receiving Customer Care Specialist's desktop. This immediate customer verification process increases the speed of inquiry resolution.

4.5 Are calls to the Customer Service department routinely documented? If so, how?

Yes. Each incoming customer phone call is recorded and logged into our database. Both the reason for and resolution of each call is identified with codes, as is the call date and time and any additional information that may be required. Complaints are promptly referred to a responsible party for resolution and response.

FBMC's Customer Care Specialists are required to update every customer account with comments regarding each interaction. The comments are included in each participants' master file record that is accessible to each of FBMC's functional teams that provide administrative services. In addition, each incoming call is recorded.

4.6 What are the current staffing levels in the customer service area? Include information regarding the number of staff and telephone lines that will be assigned and/or dedicated to the Wisconsin programs. Will the same Customer Service staff be responsible for answering both ERA and Commuter Benefits questions? Will hiring additional Customer Service staff be necessary to accommodate the needs of the Wisconsin program? If so, how many?

Our Customer Care Center is located at our headquarters in Tallahassee, Florida and is open Monday through Friday, from 6am to 9pm and on Saturdays (January through April) from 8am to 2pm (CST), excluding holidays. *Se habla Español.*

The Center is staffed with 49 Customer Care Specialists (CCSs), whose *only* responsibility is to respond to incoming phone calls and e-mails from our customers. Customer Care also includes a Change in Status Specialist, a Customer Care Analyst, an Appeals Specialist, six Senior Specialists, three Team Leaders, Manager Linda Green and our Chief Operations Officer, Barbara Gonzales, CEBS.

FBMC's Customer Care Center utilizes a Siemens HiPath 4000 phone system with 48 local and 120 lines of toll-free, long-distance lines. We periodically increase the number of phone lines to assure that our CCSs can respond to high call volumes and provide customers with immediate assistance. The system utilizes a ROLM CallStat Automatic Call Distribution (ACD) multi-line feature to direct incoming calls, which are immediately answered with a polite, automated greeting and a request for unique customer information.

FBMC constantly monitors Customer Care Center performance by tracking the results for average speed of answer, calls handled per CCS, average talk time, volume of calls received per client and abandonment rates, in addition to other indicators. Standards have been established to measure internal performance, including the number of calls taken, average call time and response to follow-up inquiries. Calls are monitored and scored using an electronic performance measurement tool.

We do not anticipate the need to hire additional CCSs. Our CCSs will service calls from FSA and QTB participants. We also have several QTB Specialists in the Call Center.

FBMC's entire block of business has generated monthly call volumes that average 53,952. In order to efficiently accommodate every customer, we have learned to adhere to established, extensive training programs which are designed to prepare every FBMC CCS to receive calls and e-mails from every FBMC client. We also equip each CCS with desktop access to every client's benefit information. This proven strategy has eliminated the need to allocate dedicated CCSs.

Using intelligent routing software provided through the Syntellect application, (formerly Apropos), we have the ability to direct 100% of all identified callers to Customer Care Specialists who have been specifically trained to serve client-specific accounts. These dedicated personnel may also receive overflow calls for other clients if necessary, to meet Customer Care Center volume demand.

If a caller fails to interact with the automated system and we are unable to identify them as a State employee, their call will be routed automatically to the next available Customer Care Specialist.

- 4.7 Participants who feel that their questions or issues have not been properly addressed by Customer Service staff may file a formal complaint or appeal. Provide a written summary of the procedures that will be followed to adequately and appropriately review, evaluate and resolve complaints and/or appeals in a timely manner. Include information about the staff involved in the complaint resolution process, the documentation that is used to make a determination, and the average number of appeals or complaints filed annually, tracking mechanisms used, speed of resolution, and the number/percent appealed beyond first level resolution for your current business. Describe the manner in which you intend to report complaint and grievance procedure results to the Department. Include an example of a determination letter that will be provided to a participant explaining the approval or denial of an appeal.**

If a complaint arises that an FBMC Customer Care Specialist is unable to resolve, the customer's contact information is verified and the customer is assured that an answer will be provided within one business-day after research is conducted. The Customer Care Specialist is then responsible for obtaining the necessary information and making the return call. If necessary, the matter will be escalated to a Senior Specialist, Team Leader or the Team Manager within the Customer Care Center.

Customer account information is updated to reflect the details of the complaint. If the issue cannot be resolved during the initial contact, the account is flagged for call-back after research; complete complaint resolution may require interaction with another FBMC functional team. When research is required, it is our policy to contact the customer within 24 hours with an update. Upon resolution, the customer is notified of the actions that were taken to solve the problem.

Occasionally, additional information is needed from the customer to satisfactorily achieve resolution and therefore the Senior Specialist, Team Leader or the Customer Care Team Manager handling the complaint will provide their direct contact information for the customer. Individual customer accounts are always updated to reflect complaint and resolution status for future reference.

FBMC's appeals process is available to customers who want to present a written request for a variance from established policy. Such requests must be reviewed by the Appeals Specialist and/or Appeals Panel in order to determine if the requested change is approved or denied. The Appeals Process is designed to adjudicate requests for enrollment changes or rejected reimbursement claims.

Customers who want to invoke the Appeals Process must submit a written request within the prescribed timeframe. The first step is to contact an FBMC Customer Care Specialist, who can explain the Appeals Process and try to assist the customer by simply

correcting the problem. If the call needs to be escalated, a Senior Specialist will then forward the customer to the Appeals Specialist. Once all resources have been utilized and the customer is still not satisfied and elects to invoke the Appeals Process, the Appeals Specialist will ask the customer to send a written statement with any additional supporting documentation available.

FBMC's Appeals Panel is composed of members of its Management Team, experienced staff and the Regulatory Compliance Specialist. While all the members of the panel have an equal vote, the Regulatory Compliance Specialist can override the consensus of the panel if there is a compliance issue that could be compromised. The Regulatory Compliance Specialist's main responsibility is to ensure that the other members of the panel are in compliance with the guidelines set forth in the Plan Documents.

FBMC's Appeals Specialist is located within the Customer Care Center and is the individual who handles the paperwork, distributes materials and acts as the liaison between the panel members and the customer. The Appeals Specialist is also responsible for providing the customer with status updates.

The customer has 30 business-days to submit a written request following the triggering event. The entire process takes approximately 30 business-days from receipt of the written request by FBMC. Subsequent changes are effective on the first of the month following decisions.

All paperwork becomes part of the customer's permanent employee file. Any approved enrollment changes are indicated on the customer's enrollment form. State agencies would then make appropriate payroll adjustments based on instructions from FBMC.

Customers can also voice concerns anytime online; www.myfbmc.com. FBMC's Customer Satisfaction Survey provides with vital feedback that guides service performance improvements.

State of Wisconsin employees filed 38 appeals with FBMC during 2008. Examples of determination letters are included in *Exhibit B*.

4.8 The Contract Administrator will be required to conduct an annual customer satisfaction survey (random sample) of program participants. Provide detail of your experience in providing this type of service. Provide a sample of a survey that has been conducted for a client and the results of that survey.

Confirmed.

FBMC recognizes that Customer Care is the core activity that will guarantee success. FBMC has been conducting customer satisfaction surveys for more than 30 years. A customer satisfaction survey is particularly useful in gauging customer satisfaction with the services provided to our clients. FBMC offers several survey methodologies:

- Our online *Customer Satisfaction Survey* is accessible through our website and offers a satisfaction survey that callers can take any time, voluntarily after log-in at www.myfbmc.com. FBMC monitors these responses and they can be used to prepare client-specific reports and to identify any issues quickly after they occur.
- FBMC prepares an annual, client-specific customer satisfaction survey and distributes it to a statistically valid sampling of employees to gain their feedback about services and their benefits.

- We distribute an annual, non-client-specific survey to a statistically valid sampling of participants across all clients to gain feedback about services and benefits. This survey is conducted at no cost to our clients.

Upon receipt of the completed surveys, an independent contractor we hire for this purpose conducts an analysis of the responses. From this analysis, a report is generated and a copy is sent to the client, typically in June. The report includes the questions, a summary of the responses, an analysis with comments and suggestions from FBMC's staff. If any servicing issues are reflected, Scott Mixon, CGBA, Assistant Vice President of Client Services and the assigned Account Manager meet with the responsible FBMC team(s) to identify and discuss action plans. The Account Manager then monitors the progress to ensure that improvements are being implemented. FBMC always keeps its client informed during these processes.

Survey Results

In an effort to determine how FBMC might better serve the needs of State of Wisconsin customers, a mail survey was distributed to a sample of users of FBMC services. A substantial redesign of the survey instrument was undertaken in 2007.

The 2007 Customer Survey for the State of Wisconsin was developed in consultation with representatives of FBMC and ETF. The 27-item questionnaire contained the following components:

- Experiences with and evaluation of Employee Reimbursement Accounts (ERA)
- Evaluations of the ERA Enrollment Booklet and open enrollment
- Experiences with and evaluation of FBMC customer care
- Experiences with and evaluation of the Commuter Benefits Program and website
- Number of claims submitted
- Likelihood of recommending the ERA or Commuter Benefits Program
- Additional products or services customers would like to see offered
- Overall satisfaction with FBMC
- Respondent demographics

FBMC drew a random sample of 1,600 State of Wisconsin customers. All customers in the sample were mailed a questionnaire.


The three-page survey questionnaire (see Appendix) was prepared using Cardiff Teleform content-capture software. This software permits returned questionnaires to be optically-scanned for fast, efficient and accurate data capture. The questionnaires were mailed out on June 29, 2007. The survey deadline was August 1, 2007. A total of 531 completed questionnaires were received by the deadline (response rate = 33.4%; 11 questionnaires were blank, incomplete or returned due to bad addresses).

A brief excerpt from some of the results of the survey follows:

- Nearly all (86.5%) of the customers read the ERA Enrollment Booklet
- The most common ratings of the booklet are "beneficial" (63.9%), "easy to understand" (53.0%) and "easy to read" (33.7%)
- A large majority of respondents are satisfied with open enrollment materials and communications:
 - 84.8% are satisfied with the overall process for benefits enrollment
 - 78.9% are satisfied with the booklet and other open enrollment
 - 77.5% are satisfied with the advance notice regarding enrollment dates

A sample of the survey form used is included on the next page.

An image of the cover page from the 2007 State of Wisconsin customer satisfaction survey is included on the next page. Please also see Exhibit F for more complete details.



FBMC
Premier Benefits Solutions

Fringe Benefits Management Company

**2008 Customer Survey for
State of Wisconsin**

Your employer has asked us to conduct this survey to learn how we might better serve your benefit needs. Not all employees received this survey. That is why it is important that you respond so that we (FBMC) can work with your employer to meet the needs of all employees. Please take a few minutes to fill out and return this questionnaire by **July 15, 2008**. Your answers will remain anonymous. When you have completed the survey please place it in the postage-paid Business Reply envelope addressed to our independent consultant, Sapolsky Research Inc., P.O. Box 1047, Tallahassee, FL 32302.


Si prefiere responder en español, llame al 1-800-342-8017 para completar este encuesta.

Shade Circles Like This--> ●

Not Like This--> ○

Please use only a pencil or blue or black pen in completing this questionnaire.

NOTE: Throughout this questionnaire "N/A" stands for "Not Applicable".



1. Do you participate in a Employee Reimbursement Account (ERA), sometimes called "Flexible Spending Account", for dependent and/or medical care? If yes, please fill in ALL that apply:
 Dependent Day Care ERA Medical Expense ERA [If you do **NOT** have an ERA, please SKIP to Question 6.]
2. The Quarterly ERA statements are: [Please fill in ALL that apply.]
 Complicated Easy to understand Hard to read Helpful Useless
 Other: _____
3. How likely are you to re-enroll in an ERA next year?
 Very Unlikely Unlikely Unsure Likely Very Likely
 If you are **Unlikely** or **Very Unlikely**, why? _____
4. Overall, how satisfied are you with your Medical ERA? If Not Applicable, please fill in N/A.
 Very Dissatisfied Dissatisfied Neutral Satisfied Very Satisfied N/A
5. Overall, how satisfied are you with your Dependent Day Care ERA?
 Very Dissatisfied Dissatisfied Neutral Satisfied Very Satisfied N/A
6. Have you read about your benefits in the ERA Enrollment Booklet? Yes [Skip to Question 7] No
 6A. If **NO**: What is the main reason why you have not read about your benefits? [Please fill in only ONE.]
 Already know about them Do not have time Have not received booklet Difficult to understand
 Other _____
7. If **YES** to Question 6: How would you rate the benefits booklet? [Please fill in ALL that apply.]
 Beneficial Easy to understand Unattractive
 Confusing Not enough information Other _____
 Easy to read Too long
8. How satisfied are you with the ERA booklet and other materials used in your benefits Open Enrollment?
 Very Dissatisfied Dissatisfied Neutral Satisfied Very Satisfied
9. How satisfied are you with the enrollment session and the enroller you saw during the last Open Enrollment?
 Very Dissatisfied Dissatisfied Neutral Satisfied Very Satisfied Did not attend
10. How satisfied are you with the advance notice you received, including the schedule, for the enrollment dates and sessions?
 Very Dissatisfied Dissatisfied Neutral Satisfied Very Satisfied

Continue to next page →



State of Wisconsin
2007 Customer Satisfaction Survey

A report prepared by:
Sapolsky Research, Inc.
Tallahassee, Florida

Part 5.0 Program Information and Communication

The Contract Administrator may be asked to develop informational bulletins, brochures, or newsletters directed to employers and/or employees. The Department retains approval rights of all material prior to distribution to employers or employees.

5.1 Describe the informational materials that may be used to ensure all eligible employees are aware of and offered enrollment in each program. Provide examples of materials such as brochures, forms, video presentations, posters, internet sites, e-mail messages, etc., that may be used to communicate program information to ensure that all eligible employees are aware of and understand the programs. In lieu of paper copies, you may provide links to on-line electronic copies of informational materials.

FBMC will annually develop informational materials, for review and approval by ETF, concerning all programs administered by FBMC.

Materials required to support the program are reviewed with ETF during the Plan Year implementation period. Rik Bist, Copywriter and Maria Stephens, Graphic Artist, will discuss communications materials requirements with ETF and produce drafts of each for review and approval by ETF. The previous enrollment period materials will be reviewed and their effectiveness will be evaluated during this period.

Examples of the materials that will be produced and or updated include:

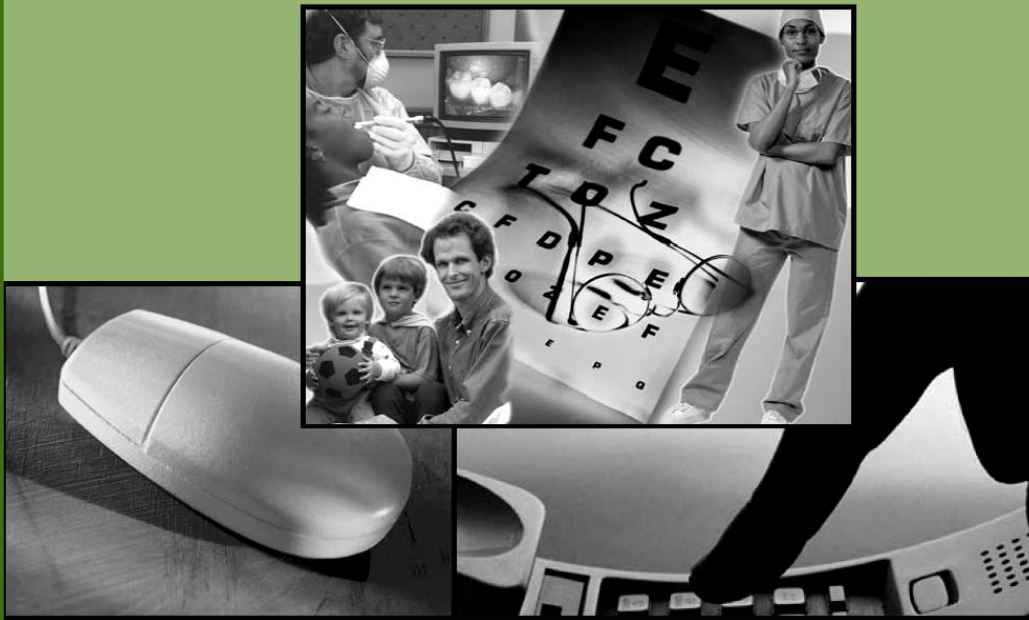
- Employee Reimbursement Accounts Program (FSA) – full enrollment booklet
- Employee Reimbursement Accounts Program (FSA) – summary guide
- Employee Reimbursement Accounts (FSA) – handout
- Educational Video for FSA and QTB (separate videos) – posted on the ETF website
- Commuter Benefits Program Users Guide (QTB)

Included on the following pages are several images of communications materials produced, or proposed, for the State's annual Open Enrollment. Copies of the materials used are included in *Exhibit A*.

Plan Year 2009

Employee Reimbursement Accounts Program (ERA)

AN OPTIONAL TAX-FREE BENEFIT PLAN



**OPEN ENROLLMENT
OCTOBER 6 - NOVEMBER 14, 2008**

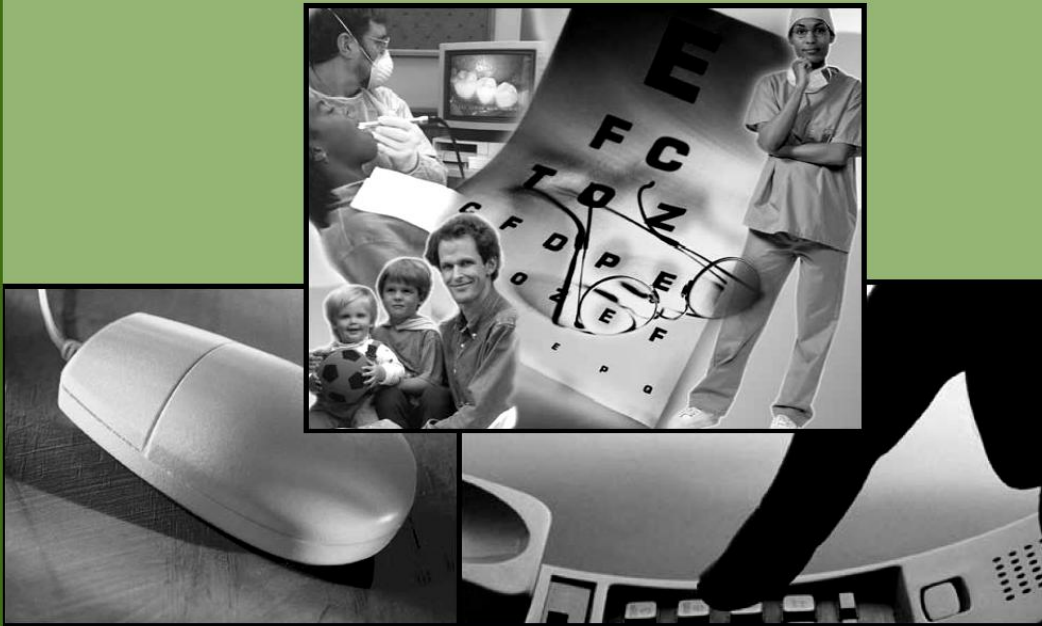
**CURRENT PARTICIPANTS MUST RE-ENROLL TO
CONTINUE REIMBURSEMENT ACCOUNT(S) IN 2009.**

**Eligible new employees have 30 days following date of hire to enroll.
Keep this booklet as a reference throughout the plan year.**

Plan Year 2009

ERA Summary Guide

EMPLOYEE REIMBURSEMENT ACCOUNTS PROGRAM - An Optional Tax-free Benefit Plan



OPEN ENROLLMENT
OCTOBER 6 - NOVEMBER 14, 2008

Current participants must re-enroll to continue participation in 2009.

Eligible new employees have 30 days following date of hire to enroll.

This new booklet is a summary of the Employee Reimbursement Accounts Program. For full program details see the *ERA Benefits Guide* online at www.myFBMC.com, or etf.wi.gov. You may obtain a print copy of the *ERA Benefits Guide* by calling toll-free 1-866-440-7149, or sending an e-mail to ERABenefitsGuide@fbmc-benefits.com.

Want to Cut Your Taxes?

Enroll in the Employee Reimbursement Accounts Program

The Employee Reimbursement Accounts (ERA) Program allows you to pay for eligible dependent care and/or medical expenses from your pre-tax income rather than your after-tax income. The result? You pay less Social Security, Federal, and State taxes and take home more salary!

The ERA program has three different parts:

- 1 A tax-free **Medical Expense Reimbursement Account** that covers eligible medical expenses not reimbursed by any medical, dental, or vision care plan you or your dependents may have.
- 2 A tax-free **Dependent Care Reimbursement Account** that covers eligible dependent care expenses incurred so that you and your spouse (if married) can work, actively look for work, or so that your spouse can attend school full time.
- 3 **Automatic Premium Conversion**, the automatic pre-tax treatment of your payroll-deducted premiums for state group health and group life insurance (excluding spouse and dependent life insurance costs), EPIC dental and excess medical insurance, and Spectera vision plan, and Dental Blue dental plan.

How can I enroll?

Open Enrollment for the 2009 Plan Year is October 6 through November 14, 2008. Consult your *ERA Benefits Guide* for complete enrollment information.

Where can I get more information?

An *ERA Summary Guide* is distributed to all employees prior to the open enrollment period and to new employees when hired. If you haven't received one, contact your Payroll/Benefits office.

More detailed ERA program information can be found in the *ERA Benefits Guide*, available on the ETF Internet site at <http://etf.wi.gov>, along with other ERA forms and brochures. Simply click on the "Members" tab in the upper left corner, then click on "Employee Reimbursement Accounts (ERA) Program." ERA forms and brochures can be accessed by selecting "ERA Forms and Brochures" from the menu.

Here's how the ERA program works:

- Determine how much money you need to set aside for either or both reimbursement accounts. Use the worksheet found in the *ERA Benefits Guide*.
- The amount that you elect will be deducted on a pre-tax basis from your paycheck each pay period throughout the year.
- When you have eligible expenses, submit a claim for reimbursement.
- FBMC will process your claim within five business days and eligible expenses will be reimbursed via check, or directly deposited into your bank account if you choose the Rapid Refund option.
- You Save Money! All of your ERA contributions (including premiums deducted through Automatic Premium Conversion) are taken out of your paycheck before Federal and State income taxes, and Social Security taxes are calculated. You keep more money in your pocket because you pay less in taxes!

You must re-enroll each year to participate in the Medical Expense or Dependent Care ERA. You do not need to re-enroll every year to participate in Automatic Premium Conversion.

Eligible expenses for services provided to you or your dependents during the plan year are reimbursable. And the IRS now allows a two-and-a-half-month grace period following the end of the plan year for both the Medical Expense and Dependent Care accounts. This means that if you have money left in your account(s) at the end of 2009, you may use it for reimbursement of expenses incurred through March 15, 2010. However, reimbursement of claims is made strictly on a "first-in, first-out" basis. If you have 2009 expenses that you intend to have paid from your 2009 contributions, they must be submitted and processed before you submit any 2010 reimbursement claims to assure that they are paid out of your 2009 balance.

Medical expenses will be reimbursed at any time up to your total annual election amount, less any previous reimbursements. Dependent care expenses will be reimbursed only up to the current balance in your account at the time of your reimbursement request.

The deadline (or run-out period) for filing both medical expense and dependent care claims incurred during the plan year, including the grace period, is April 15, 2010.

Plan Carefully. Your election amounts are irrevocable after the beginning of the plan year, unless you have a qualifying Change-in-Status event. Only expenses for services provided to you or your dependents during the plan year (including the grace period) are reimbursable. Any unused amounts from the prior plan year that are not used for expenses incurred by March 15 are subject to the "use it or lose it" rule and will be forfeited.

NEW!! Want to learn more about the ERA Program? A new online video provides more information about how the ERA program works, the advantages of paying for eligible medical and dependant care expenses on a pre-tax basis, and enrollment and reimbursement procedures. Find the *Employee Reimbursement Accounts Program* presentation in the ETF video library at <http://etf.wi.gov/webcasts.htm>.

Still have questions?

FBMC Customer Service

Call: 1-800-342-8017

Monday – Friday, 6:00 a.m. – 9 p.m. CT

www.myFBMC.com

The ERA program is administered for the Department of Employee Trust Funds (ETF) by Fringe Benefits Management Company (FBMC).

welcome
to
myFBMC



Usage

Depending on the plan you are enrolled in (FSA, HRA, HSA or Commuter Benefits), the myFBMC CardSM may be used to pay for certain eligible expenses. These expenses may include co-payments, Over-the Counter (OTC) items, prescription expenses, parking, transit and van pooling costs.

Currently, some stores are not programmed to accept the card. To find out if a store near you accepts the card, please refer to the IIAS Certified Merchant List available at www.myFBMC.com.

NOTE: You cannot use your myFBMC CardSM for cosmetic dental expenses or eyeglass warranties.

Documentation

Documentation for an myFBMC CardSM expense is an invoice, statement or bill showing:

- name of the patient
- name of the service provider
- date of service
- type of service (ex: prescription and/or OTC name) and
- total dollar amount of service.

NOTE: Documentation *MUST* be submitted with a claim form, available at www.myFBMC.com.

You need to keep all documentation of eligible expenses paid with your myFBMC CardSM for at least one year, as stated in IRS regulations. This documentation must be submitted upon request by FBMC or the IRS. Card holders can visit www.myFBMC.com to find out if you have any outstanding card transactions that require documentation.

You must send in documentation for myFBMC CardSM transactions that are not a known co-payment or are not an eligible health care or commuter benefit expense, as well as all OTC expenses.

Card Information

All card participants receive a regular statement showing account activity, including outstanding card transactions. You can also visit www.myFBMC.com to check your account status, review your balance and check on any possible outstanding card transactions.

If you fail to submit requested documentation for an myFBMC CardSM expense, you will be subject to auto-substitution, suspension of card privileges, payback through payroll and reclassification. Please see the Common Card Usage Terms in this brochure for more information.

Common Card Usage Terms

AUTO-ADJUDICATION – Allows FBMC to immediately recognize an expense as eligible for reimbursement under your employer's plan and IRS regulations, thus eliminating the need for you to submit documentation.

EXPENSE DOCUMENTATION – FBMC may need to verify a reimbursement request. An invoice, statement or bill showing specific information outlined in the Documentation section of this brochure may be required.

PAYBACK OPTIONS – If you have an outstanding or ineligible card transaction, or you have not provided adequate documentation, the following actions may occur:

Auto-substitution – Outstanding card transactions will be paid before any out-of-pocket reimbursement requests are paid.

Check Submission – You may satisfy any outstanding card transactions by submitting a check made out to your employer in the amount of the outstanding transaction and mail it to FBMC.

Payback Through Payroll – You could be subject to salary deductions for the amounts of any outstanding card transactions.

RECLASSIFICATION – Any outstanding card transaction amounts remaining at the end of your plan year and any grace period will be reported as income on your W-2 at the end of the tax year.

SUSPENSION – You will temporarily lose the privilege of using your card if outstanding card transactions have not been satisfied. When the transactions are satisfied, your card privileges will be reinstated. If any outstanding card transactions are not submitted by the end of the plan run-out period, the card will be permanently suspended.

WHY YOU NEED THE myFBMC CardSM

The myFBMC CardSM Visa[®] Card offers you a convenient way to pay for your eligible medical, dependent care and commuter expenses. Like a credit card, you simply swipe it at the register and the funds will be automatically deducted from your account. Depending on your employer's plan, the myFBMC CardSM can be used to pay for eligible goods and services covered by your medical/dependent care flexible spending accounts, health savings accounts, health reimbursement arrangements or your qualified commuter benefits.

CONVENIENCE

The myFBMC CardSM offers an easier way to be reimbursed for eligible expenses. You will no longer need to write checks or use your personal credit card to pay for your health, dependent care or commuter expenses. Your funds are available at the beginning of the plan year, which allows FBMC to electronically reimburse your account(s) when you use the card.

SIMPLICITY

Swipe the myFBMC CardSM like you would any other Visa credit card. Visit www.myFBMC.com for a list of participating card locations.

INSTANT ACCESS TO FUNDS

With the myFBMC CardSM you have immediate access to the funds in your benefit account and can receive instant approval on eligible expenses.



Need More Information?

Lost or Stolen Cards
1-800-689-0821

Transactions Disputes
1-800-342-8017

FBMC Customer Service
www.myFBMC.com
1-800-342-8017

myFBMC CardSM Visa[®] Card
www.myFBMC.com • 800.342.8017

QUALITY ▪ INTEGRITY ▪ LONGEVITY

The myFBMC CardSM Visa[®] Card is issued by First Horizon Bank, a division of First Tennessee Bank National Association.

Below is an image of the video presentation links on the ETF website which are used, in conjunction with other communication efforts, to educate employees about the FSA and QTB programs offered.

Employee Reimbursement Accounts Program (ERA)

Presenter(s): April Sheffield - Client Services Account Manager
Status: Available
Air Date: 7/30/2008
Length: 29 Minutes 27 Seconds



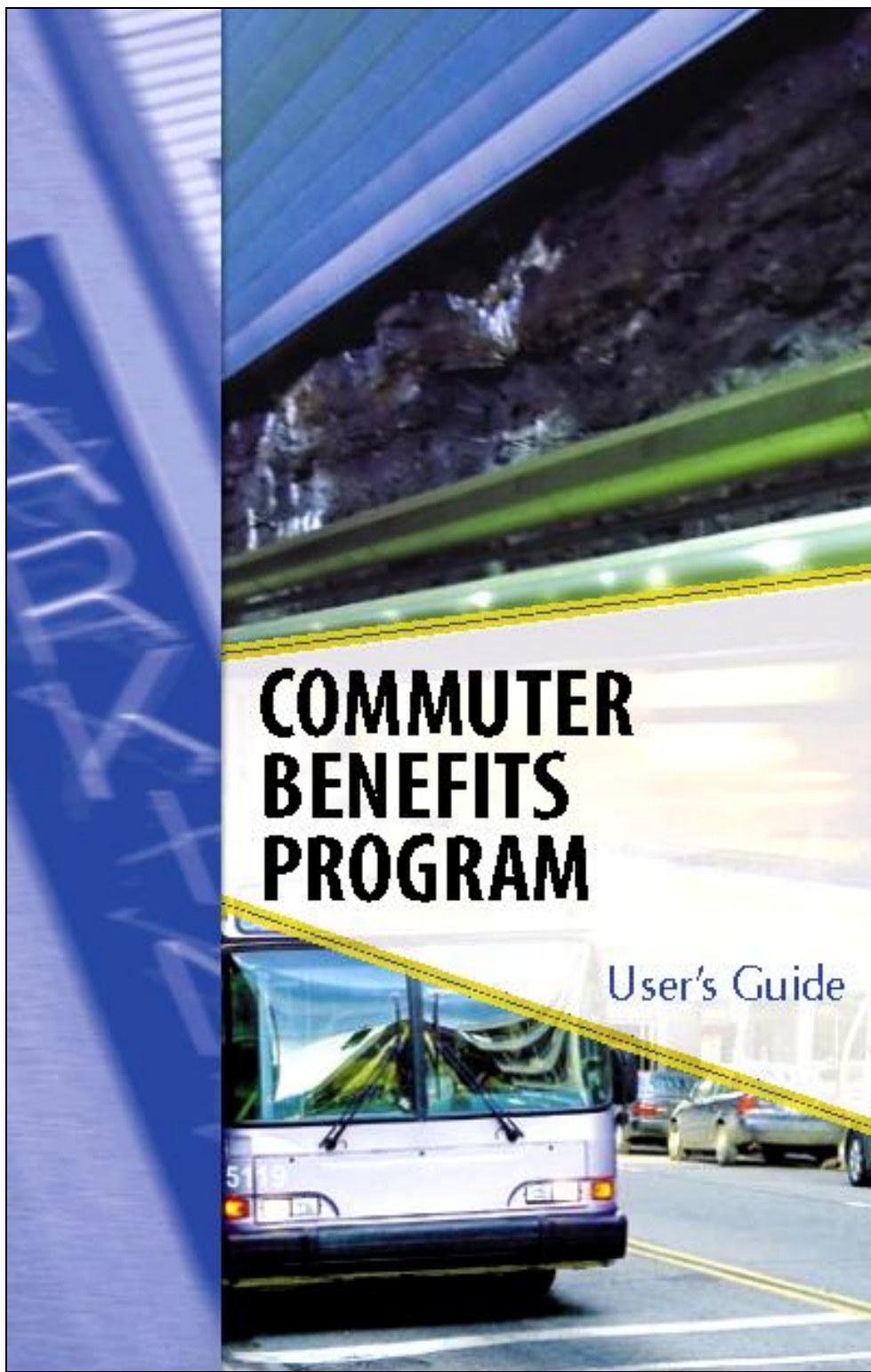
This presentation explains what the ERA program is and how it works to save you money by increasing your tax savings! It gives details on eligible medical and dependant care expenses you may be eligible to pay for with pre-tax dollars. Advantages of paying premiums for other employer benefits (life and health insurance) is also covered, as well as enrollment and re-imbusement procedures.

Commuter Benefits Program

Presenter(s): April Sheffield - Client Services Account Manager
Status: Available
Air Date: 10/1/2008
Length: 25 Minutes 11 Seconds



The Commuter Benefits Program is an optional benefit for State of Wisconsin employees that allows you to set aside pre-tax money for eligible commuting and parking expenses. This presentation reviews the two Commuter Benefit Accounts available, and explains about eligibility, enrollment, setting up and reviewing accounts, receiving reimbursement and how to obtain more information.





—
**Flexible
Benefits Plan**
—
ENROLLMENT

Enroll Now

Date

Time

Location

FBMC Customer Service
1-800-342-8017 ▪ www.myFBMC.com



FBMC
Premier Benefits Solutions

FBMC/OEPOSTER/0408

5.2 Describe the information that will be available to employees, employers and the Department on your internet site. Will a site be developed specifically for the State of Wisconsin plan? Will participants' personal account information be available to program participants through the site? Provide the evaluation committee with access to a demonstration site that illustrates the capabilities of your internet site, if available.

FBMC maintains an internet site (www.MyFBMC.com), which is in operation 24/7 to provide customers with up-to-date access to their account information, including payroll contribution amounts, payroll posting dates, account balances, claim status, reimbursement information, a tax-savings analysis tool, frequently asked questions (FAQs) and responses, a forms download function, an e-mail link to FBMC's Customer Care Team, and account information for the current and prior plan year. The site also provides an archive of online participant Account Activity Statements and outstanding Card transaction information. Secure access to information is controlled through the use of individual e-mail addresses and passwords.

Screenshots of FBMC's internet site are included in *Exhibit G*.

Services include:

- All necessary forms (PDF files can be downloaded)
- Personal information (paper and Card transaction history and account balance information; current and prior year)
- Eligibility and claim filing instructions
- E-mail access to FBMC's Web-Customer Care
- MyFBMC CardSM Q & A
- MyFBMC CardSM transactions
- Online communication materials
- System updates for business rules, benefit changes and legislative changes
- Employee and Employer contributions
- Claims status
- Online statements
- Profile changes (e-mail, password)

We invite ETF to use the guest login (sample@fbmc.com) and password ([samplesample](#)) to review the site and its capabilities.

In addition, client access to our system data is currently available by way of:

1. Our Customer Website (www.myfbmc.com/client); clients have access to participant payroll contribution amounts, posting dates, premium and benefit status and details, account balances, claims status and payment information. Access is restricted through the use of a client password.
2. FBMC's client web portal; standard reporting can be made available online.

5.3 Describe the information that will be available to employees through your IVR system, if available. Will a site be developed specifically for the State of Wisconsin plan? Will participants' personal account information be available to program participants? Provide the evaluation committee with access to a demonstration site that illustrates the capabilities of your IVR system, if available.

FBMC has offered Interactive Voice Response (IVR) access for benefit participants since 1996. Our toll-free, bilingual “Interactive Benefits” IVR system is in operation 24/7.

Incoming calls are answered immediately with an automated greeting. Customers may decide to self-serve upon entering our system or during the call they may ask to be transferred to the IVR, at which time the Customer Care Specialist will transfer them to the IVR system.

FBMC’s IVR system enables customers to perform self-service functions and gain access to detailed account information. By following the voice prompts, benefit participants can verify account balances, track claims reimbursement status, verify and update personal profile information, request forms and leave message inquiries for Customer Care Specialists. IVR inquiries which require a return call or the provision of materials (such as a claim form) are handled within 24 hours of receipt.

FBMC’s IVR is a secure avenue for receipt of protected information, controlled through the use of unique personal identification numbers (PINs).

A demonstration of the system’s capabilities is available by calling 1-800-342-8017. The following instructions will provide a useful experience of this convenient benefit tool:

1. Press “1” to continue in English
2. Press “1” when prompted for Active, Retired or COBRA employees
3. Press “4” for all others, when prompted
4. Use the demo social security number “888-88-8888”. Once in the system, simply follow the voice prompts.

5.4 How will user IDs and passwords used to access participants information be managed? Are user IDs/passwords assigned or will an ETF assigned number be able to be used as a user ID? Who will be responsible for resolving internet/IVR access problems (password and authorization problems, slow response time, system down-time, etc.)?

FBMC assigns a unique 16-digit ID number for all State of Wisconsin participant communications with FBMC. For initial registration on the FBMC website, www.myfbmc.com, this number is used. After registration, the participant will utilize his or her e-mail address and password to access the website.

For initial registration using the FBMC Interactive Voice Response system, participants use their Social Security Number as the User ID and the last four digits of their SSN as their PIN. Upon registration, participants must change their PIN to one of their choice.

FBMC’s toll-free, bilingual Customer Care Specialists will resolve all Internet/IVR access issues.

5.5 Do you collect e-mail addresses for communicating with participants? If so, what types of communications may be sent to participants via e-mail?

Yes, e-mail addresses are collected during the online enrollment process for the FSA and QTB programs, and are required for access to the FBMC customer website. Communications that may be sent to participants via e-mail include:

- Confirmation of Benefits elected online

- Notification of the availability of an Account Activity Statement
- Notification of a transaction that has occurred using the *myFBMCSM Card*
- Responses to customer inquiries sent to the webcustomerservice@fbmc.com e-mail address

Our participant ordering system for the QTB program creates and sends an e-mail to participants who have ordered transit products online.

Participants select the provider and then the type of pass needed. The amount of the pass is displayed and the employee is asked to confirm the order. Once confirmed, the participant is then sent a confirmation e-mail with the transit pass information from the enrollment sessions. The e-mails are sent on the next business-day and are used to keep participants informed about the status of their orders and account information.

- A Transit Order confirmation e-mail is generated to all participants when an order is entered and an Order Approval e-mail is sent when the order is confirmed.
- A Transit Order confirmation is generated to all participants when an order is entered.
- A Fulfillment e-mail is generated when a transit pass is mailed to the participant, which includes the mailed-to address, the pass description and cost

Part 6.0 Services Provided to the Department and Employers

The Department works directly with the Contract Administrator on all administrative matters. The Contract Administrator must provide technical and legal expertise to advise the Department on issues relating to the programs. The Department must have real-time access to the Contract Administrator's record-keeping system via the internet. Access includes the ability to view participant and total plan data and to generate standard reports. Reports must be provided to the Department to ensure effective monitoring of all aspects of the program. The Contract Administrator is responsible for addressing enrollment and payroll issues raised by the payroll processing centers and agency payroll staff.

6.1 List any administrative responsibilities described in Section E. that are not included in your cost proposal.

All administrative responsibilities are included in our cost proposal.

6.2 Describe how you will monitor the development of and provide advice to the Department concerning state or federal regulations or legislation that may affect the programs.

Under the leadership and direction of our Chief Compliance Officer, the Standards & Practices Division oversees all corporate governance activities. Regulatory and legal policies relative to health & welfare, benefits plan management and retirement plan services are established according to the most current regulatory guidelines available.

Standards & Practices monitors the development of state and federal regulations through various resources to ensure compliance with regulatory requirements and best business practices. The team consists of knowledgeable professionals, each with multiple years experience in their respective fields.

The State will receive (electronically) our *Benefits Alert*, whenever regulatory changes are made that will have an immediate impact, as well as our *Quarterly Review* newsletter, which provides information on congressional and legislative changes and mandates. These FBMC compliance publications help explain regulatory impacts and steer clear of the landmines of tax law within flex plans. These publications are always available online; www.FBMC.com; click “Resources” at the top, right of the homepage.

FBMC is a member of the Employers Council on Flexible Compensation (ECFC) and the International Federation of Employee Benefit Plans (IFEFP).

The ECFC association based out of Washington, DC, has been advocating on behalf of flexible benefit plans and pre-tax benefits for more than 25 years. They have been in the forefront of implementation and policy-making for consumer-directed health plans, cafeteria plans and defined contribution plans.

The IFEFP is the largest educational association serving the employee benefits and compensation industry. This foundation is a trusted resource for objective, accurate and timely information relevant to employee benefit and compensation plans.

FBMC is also a member of the Society of Professional Benefit Administrators (SPBA). By banding together to share professionalism and insights, SPBA members have become the most respected, consistent source of information. Each year, SPBA shares information on about 1,000 new laws, regulations, rulings, interpretations, and major court cases.

6.3 Provide information about the legal and technical staff that will be available to the Department for advice and consultation as needed for program administration.

April Sheffield, CFC, FBMC’s assigned Account Manager, will be the State’s primary contact for all compliance activities. April will interface on the State’s behalf’s with our Chief Compliance Officer (CCO), Trish Neely, CFCI. The CCO and her highly knowledgeable team will provide compliance guidance and assistance related to the benefits FBMC administers. We maintain close contact with agency officials, industry insiders and our outside legal team, Alston & Bird, LLC, a nationally-recognized law firm with a specialty practice in health, welfare and employee benefits.

The legal and technical staff (available to the Department for advice and consultation) is listed below.

April Sheffield, CFC
Account Manager, Client Services

April studied Accounting and Finance at Florida State University after earning her AA at Tallahassee Community College. Her previous experience as a Paralegal, COBRA Analyst, Document Control Coordinator and Project Analyst/Implementation Coordinator provided a sturdy foundation for her FBMC commitment which began in 2006. April currently directs and coordinates activities of the Client Services Teams, always focusing on client satisfaction for services that include new case development, implementation, enrollment, renewal and benefit/service enhancements. She is certified in Flexible Compensation (CFC) through the Employers Council on Flexible Compensation (ECFC) and a Certified COBRA Administrator. April is a Delta Zeta Alpha Sigma Chapter Executive Board, Standards Chair and a member of the Daughters of the American Revolution, Caroline Brevard Chapter.

Trish Neely, CFCI

Chief Compliance Officer and HIPAA Privacy Officer, Standards & Practices

Trish holds a BS in Psychology from the Clarion University of Pennsylvania. She has over 20 years experience in benefits administration and tax law and is a Certified Flexible Compensation Instructor (CFCI) with the Employer's Council on Flexible Compensation (ECFC). Trish has been with FBMC since 1987 and is currently responsible for corporate governance, legal and regulatory compliance, quality assurance, standards of business performance, as well as corporate training, employee development and human resources. She is an author and editor of FBMC's *Quarterly Review* newsletter, an active member of the International Association of Privacy Professionals and International Foundation of Employee Benefit Professionals. Trish has testified before the IRS on regulatory matters and meets regularly with other attorneys, benefit consultants and IRS officials on topics germane to benefits management and administration.

Muriel Etienne, CFC

Compliance and Regulatory Specialist, Standards & Practices

Muriel received her BS in Computer and Information Systems at Florida A&M University in Tallahassee, Florida. She began working with FBMC in 2004 as a Data Analyst and then a Management Analyst. Now she is responsible for the preparation and review of client plan documents. Muriel provides regulatory guidance associated with Cafeteria Plans, Flexible Spending Accounts, Health Savings Accounts, Health Reimbursement Arrangements and Qualified Transportation Benefits. She also manages compliance training needs throughout the company, including introduction of new policies and annual training conducted to review amendments made to state and federal regulations. Muriel is Certified in Flexible Compensation (CFC) through the Employers Council on Flexible Compensation (ECFC), an H&R Block Tax Preparation Associate and holds certification in the Microsoft Project 2003 Web Access and the Sybase Education Services, Adaptive Server Enterprise.

Barbara Gonzales, CEBS, GBA

Chief Operations Officer

Barbara received an AS degree in Business Administration at the Columbus State University in Georgia. She holds both the Certified Employee Benefits Specialist (CEBS) and Group Benefits Associate (GBA) designations through the co-sponsorship of the Wharton School of Business and the International Foundation of Employee Benefit Plans. Barbara joined the FBMC Team in 2003. She is responsible for leading the company's operational, administrative and customer service groups in the implementation, enrollment and servicing of employee benefit plans. She has more than 27 years of experience in government and private-sector employee benefits administration, including directing the State of Florida's \$900 million group insurance program.

- 6.4 Provide detail of your ability to provide the Department with access to participants' records and regular reports via the internet. List the information or data that is available. Provide a demonstration site, if available.**

The State will have access to participant account data through a client web portal (www.myfbmc.com). FBMC's standard reports can also be available through the site in portable document format (PDF).

FBMC can create reports from its proprietary, in-house benefits administration system in PDF and Excel formats.

6.5 Detail your capabilities in producing the reports listed in the Performance Standards and Guarantees. (See administrative services contract in *Reference Materials*.) Provide samples of any similar reports that you currently provide for clients.

FBMC confirms its ability to continue to produce and provide to the State the reports that are listed in the Performance Standards and Guarantees document. Images of several of the reports used to monitor and report performance are included on the following pages. Samples of reports are included in *Exhibit B*.

Queue Summary by Queue Group by Time Increment - Wisconsin

Time Zone: America/New_York
 Queue Group: CS WI Inbound Calls
 Include Deleted Queues: False
 Time Increment: 1,440 Minutes
 Show Contiguous Queue Time: False
 Talk Time with Hold Time: False
 Data From: 01/01/2009 00:00:00
 Data Through: 03/31/2009 23:59:59

Report Generated: 4/2/2009 at 20:10:26 GMT

Queue Group: CS WI Inbound Calls

Date / Time	Total	Completed in Queue	Expired / Deleted	Transferred External	Queue Escalated	Voice Mail	Other	Abandoned Interactions			Taken Interactions				
								Total Abandon	Avg Abandon	Max Abandon	Total Taken	Avg Queue	Max Queue	Avg Work	Max Work
3/23/2009	73	0	0	0	0	0	0	3	00:02:04	00:05:09	70	00:01:18	00:07:32	00:03:58	00:18:56
3/24/2009	63	1	0	0	0	0	0	0	00:00:00	00:00:00	62	00:00:23	00:03:29	00:04:22	00:20:28
3/25/2009	46	0	0	0	0	0	0	1	00:00:01	00:00:01	45	00:00:17	00:02:29	00:03:30	00:10:18
3/26/2009	51	0	0	0	0	0	0	0	00:00:00	00:00:00	51	00:00:03	00:01:39	00:04:14	00:15:25
3/27/2009	61	0	0	0	0	0	0	1	00:00:00	00:00:00	60	00:00:26	00:02:47	00:03:08	00:11:13
3/28/2009	6	0	0	0	0	0	0	0	00:00:00	00:00:00	6	00:00:00	00:00:00	00:02:41	00:07:11
3/30/2009	81	0	0	0	0	0	0	1	00:00:55	00:00:55	80	00:01:16	00:05:39	00:03:57	00:23:08
3/31/2009	63	0	0	0	0	0	0	1	00:00:05	00:00:05	62	00:00:47	00:03:14	00:03:05	00:12:31
Queue Total:	4,159	6	0	0	0	2	0	151	00:01:33	00:17:19	4,000	00:01:00	00:28:13	00:03:50	00:40:41

**Fringe Benefits Management Company
Account Totals Report
Qualified Transportation Benefit**

STATE OF WISCONSIN

April 02, 2009 2:21:10 PM

Page 1 of 1

Plan Effective Date: 1/1/2007

Reporting Period: 01/01/2007 to 12/31/2007

	Total # Participants	--- W/O Reimbursements --- Participants	Balance	Total # Authorizations	Average # Claims Per Participant	Total # Payments Issued
Parking Accounts	1,598	1,373	3,960.94	1,813	1.13	1540
Total Contributions Received:	161,628.68					
Total Reimbursements Paid:	152,066.57					
Total Account Balance:	9,562.11					
Total Rollover:	20,986.46					
Transit Accounts	471	467	0.00	38	0.08	19
Total Contributions Received:	2,184.00					
Total Reimbursements Paid:	1,695.50					
Total Account Balance:	488.50					
Total Rollover:	843.50					
Employer Totals	2,069	1,840	3,960.94	1,851	0.89	1559
Total Contributions Received:	163,812.68					
Total Reimbursements Paid:	153,762.07					
Total Account Balance:	10,050.61					
Total Rollover:	21,829.96					

**** End of Report 04/02/2009 14:21:10****

**Fringe Benefits Management Company
Monthly Disposition Report - Summary Page
STATE OF WISCONSIN**

Plan Effective Date: 01/01/2008 Plan End Date: 12/31/2008
Report for period Covering: 01/01/2008 through 12/31/2008
Services for period Covering: 01/01/2008 through 12/31/2008

April 1, 2009 1:43 PM

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Benefit Group: MEDR

Report for: Non Debit Card MEDR

Total Claims Received For Report Period: 45,456		Total services For Report Period: 227858												
Business Days:		0-02	%	03-05	%	06-08	%	09-10	%	11-29	%	30+	%	Total
Mail Received Until:														
- Mail Entered:	current period	41055	90.32%	4322	9.51%	66	0.15%	0	0.00%	9	0.02%	4	0.01%	45456
	year to date	41055	90.32%	4322	9.51%	66	0.15%	0	0.00%	9	0.02%	4	0.01%	45456
- Authorized:	current period	12958	28.55%	32247	71.04%	163	0.36%	6	0.01%	11	0.02%	5	0.01%	45390
	year to date	12958	28.55%	32247	71.04%	163	0.36%	6	0.01%	11	0.02%	5	0.01%	45390
- Checks Issued:	current period	1949	4.61%	39560	93.48%	744	1.76%	14	0.03%	29	0.07%	21	0.05%	42317
	year to date	1949	4.61%	39560	93.48%	744	1.76%	14	0.03%	29	0.07%	21	0.05%	42317

PENDING:

Total: 3,398 Amount: 1,163,555.13

Most of the medical claims are initially processed as Medical FSA Claims even if the services are payable under Limited Medical FSAs or HRAs. Reimbursements will be issued from the appropriate account(s). Totals (Total Claims Received, Total Services, Mail Entered and Authorized) will only be reflected under one account type even though reimbursements/payments were issued from multiple accounts.

Fringe Benefits Management Company

Customer Service Disposition Report

01/01/2009 - 03/31/2009

<CallBacks: 3 days>

Business Days Only

April 6, 2009 5:07 PM

Page 2 of 2

Emplr	SSN	Name	CS Rep	Type	Request Date	Contact Date	Disp	
STATE OF WISCONSIN:			CallBacks:	Under 3 days	4 - 6 days	7 - 9 days	10 - 12 days	Over 12 days
				202	0	0	0	0
GRAND TOTALS:			CallBacks:	Under 3 days	4 - 6 days	7 - 9 days	10 - 12 days	Over 12 days
				202	0	0	0	0

**** End Of Report - April 6, 2009 5:07 PM ****

6.6 Provide a description and example of reports other than those specified above that you recommend be made available to the Department.

FBMC currently provides all reports required by the State in order to monitor and report its performance, in addition to our package of standard reports for the FSA and QTB programs. A listing of the standard FSA and QTB reports follows.

<i>Report</i>	<i>Purpose & Frequency</i>
FSA	
Bank Reconciliation	Reconciliation of the bank account with outstanding check maintenance (<i>Quarterly</i>)
Call Activity	Provides information on the number and type of calls received by Customer Care (<i>Monthly</i>)
Exception	Identifies any discrepancies between deductions received vs. deductions expected. (<i>Per-pay-period</i>)
Forfeiture	A letter which provides the total amount of all funds that were forfeited by plan participants (<i>Annually</i>)
Non-Discrimination	Computer-based tests on the portion of the client's plan that FBMC administers. (<i>Twice annually</i>)
Payback	Provides a summary of <i>my FBMC CardSM</i> Cardholders who have outstanding Card transactions that must be repaid; the report includes amounts rejected/owed (<i>Monthly</i>)
Reimbursement Summary	Summary of FSA account activity includes contribution amounts, amounts requested, amounts authorized and account balances for each participant (<i>Monthly</i>)
Stale-Dated Checks	Identifies any checks that have been outstanding (not cashed) for 12 months (<i>Annually</i>)
Surplus Funds	Includes forfeitures, stale-dated checks (a list of all checks outstanding for 12 months), interest earnings and advance pre-funding balance(s) (<i>Annually</i>)
W-2 Data Listing	Consolidated, year-end Dependent Care FSA annualized deduction report (<i>Annually</i>)
<i>Quarterly Review</i>	Provides information on recent compliance and regulatory developments that affect Cafeteria and 401(k) Plans, etc. (<i>Quarterly newsletter</i>)
<i>Benefits Alert</i>	Summarizes compliance & regulatory developments and may include guidance for their application & implementation (<i>Time-sensitive newsletter, as needed</i>)

Samples of these reports are included in *Exhibit B*.

- 6.7 How will issues raised by payroll processing centers and/or agency payroll staff be addressed? Will there be a central point of contact for employer issues (i.e. questions about enrollments, deductions, etc.)? Include an example of the written procedures that may be provided to employers to aid in program administration. If available, describe your capabilities for video conferencing or on-line interactive training options.**

FBMC has assigned Kellie Wilson, Sr. Account Specialist, as the primary FBMC contact for all issues raised by the State's payroll processing staff. In the event Kellie is unavailable, Kimberly Christie (Team Leader) or Fran Keyes, Team Manager, will be available to assist the State's payroll entities as necessary.

FBMC has the capability to conduct video teleconferencing and webinars. An example of materials that can be provided to employers to aid in program administration is included in *Exhibit C*.

Part 7.0 Performance Standards and Penalties

- 7.1 Describe the procedure that will be followed to ensure performance standards as described in current administrative services contract (See *Reference Materials*) are properly measured and reported. Include a sample report that will be provided to the Department to demonstrate how the performance standards will be monitored.**

FBMC utilizes a company-wide performance monitoring process for each functional team. Each team maintains a scorecard which is continuously updated and reported to management. This process was initiated in an effort to improve the performance of each functional team, to assure that our customers are receiving the best quality services and that we are fulfilling any client-specific performance guarantees.

The process permits us to identify problems more quickly and implement changes that permanently improve our service quality.

Each functional team maintains client-specific metrics that continuously measure its satisfaction of performance guarantees. System reports are used to summarize performance.

FBMC summarizes and reports its performance to the State on a quarterly basis. An excerpt of the report is included in *Exhibit B, Performance Standards and Guarantees Report*. Examples of performance monitoring reports are also included in *Exhibit B*.

- 7.2 Do you have any contracts with other clients who incorporate a penalty for not meeting performance standards? If yes, indicate the types of performance guarantee agreements you have entered into previously and your ability to provide these arrangements to the Department.**

Yes, FBMC has numerous contracts with clients in which Performance Standards and Guarantees have been incorporated.

The types of performance agreements FBMC has entered into are similar to those which are currently incorporated into our contract with the State.

FBMC agrees to continue to monitor and satisfy the Performance Standards and Guarantees which are in its contract with the State.

7.3 List any performance measurements your organization currently uses to evaluate claims processing volume, accuracy, turnaround time, etc. Specify how these measurements are derived.

In our Claims area, the following metrics are measured:

- Claims processing turnaround-time
- Claims adjudication process
- Check issuance and distribution
- Financial accuracy of claim payments
- Administrative accuracy of claims payments

FBMC's internal quality assurance processes to monitor claim administration performance include the following:

- Sr. Claim Examiners conduct audits within the team. The Sr. Claims Examiners conduct audits of the Claims Examiners on their team on a quarterly basis.
- Statistics are tracked and reported monthly to FBMC's Management Team.
- Claims staff meets regularly to review claims performance and any general or client-specific issues.

Measurements taken to verify and report performance are obtained through internal audits and system reports. An example of a claims report, which is used to measure claims performance, is included in *Exhibit B, Monthly FSA and QTB Disposition Report*.

Part 8.0 Transition, Implementation and Turnover

8.1 Provide a detailed plan to effectively and efficiently assume administration of the ERA and Commuter Benefits programs by January 1, 2010. This plan must outline the major activities and considerations necessary for an orderly and controlled transition if assuming administration of the program from a predecessor administrator.

FBMC has 33 years experience implementing benefit administration programs. We propose to handle this complex implementation using the following techniques that have been consistently successful over the years:

- Appoint April Sheffield as the key day-to-day contact for client administrative personnel
- Develop and continuously update a detailed Project Plan that itemizes all tasks to be performed, assigns responsibilities and assists in the monitoring of task completion
- Build buffer-time into the schedule
- Appoint a full-time Business Analyst and Project Facilitator to coordinate the data exchange processes
- Assign separate staff members to perform testing of all programs and services before they are released from implementation
- Solicit and obtain frequent feedback from the client throughout the process to quickly identify and resolve any problem areas

All team members involved in the implementation and administration of the program will be full-time employees. FBMC's entire Management Team and key personnel will be included, as needed, to assure success.

We believe in looking ahead to identify possible obstacles early in the process and then carefully managing affected individuals or groups as changes occur. FBMC has had tremendous success in overcoming obstacles that present themselves in projects of this size by utilizing a comprehensive project management philosophy, change control and management techniques, and through the continuous solicitation of client feedback.

Conference calls will be utilized to determine the processes needed to support the benefit administration requirements and to verify the data exchange methods and implementation milestones, including test file dates and live file dates.

During the initial meeting we will address:

- Project Plan overview
- Transition process
- Contingency plans
- Electronic Data Interchange (EDI) configuration

FBMC's Project Management Office Manager on our Implementation Team, Bill Lewis and his staff will coordinate all communication, marketing and enrollment activities for the program.

The Implementation Team will include a Senior Business Analyst who will establish the data exchange processes, provide set-up information for FBMC's internal system, document business requirements and ensure FBMC's functional teams are prepared to administer the FSA and QTB programs for the State. Implementation Team roles include a System Data Specialist, an Application Programmer, the Account Manager and the Client Services Analyst. Representatives from each of FBMC's functional teams participate to define and document the supporting business processes.

The System Data Specialist performs the system set-up for benefits administration and plan design information and the Application Programmer makes any programming changes needed in our system including import and export of files.

Our staff will coordinate the necessary data exchanges for eligibility and payroll information between the State and FBMC.

Implementation discussions will also review the on-line and IVR enrollment processes and requirements.

The following activities will be included in an implementation plan that will be shared and modified with the State:

- Initial plan analysis / confirmation of plan design / changes / future enhancements:
 - Review status of current plan enhancement activities
 - Plan Documents
 - Discuss compliance concerns, monitoring, reports
- Review the entire implementation process: steps, dates, tasks and responsibilities. (This involves all activities that take place beginning with the contract award date and lasting through the end of the month of the initial effective date; key steps which will require State assistance and approval include:

- Develop project plan responsibilities and implementation schedule
- Define communication objectives; market strategies:
 - Deadlines
 - Copywriting
 - Reviews
 - Coordination of data exchange; timelines, file formats:
- System interface requirements
- Data requirements; eligibility, current benefits, testing data
- Processing cycle and production schedule
- Parallel processing - recommended duration, if applicable
- Arrange banking; funding, timing, reconciliation
- Standard reports provided, timing, format configuration
- Configuring participant statements
- Non-Discrimination testing process and timing
- Claim procedures; adjudication, reimbursements, carry-overs
- Customer Care/plan administrator training
- myFBMC CardSM usage; auto-adjudication, auto-substitution, funding

Materials used to educate participants will be developed by FBMC and reviewed and approved by the State. Materials will be provided in printed and PDF format.

Our Standards & Practices staff will update the Plan Document as necessary, and Non-Discrimination Testing will be conducted upon receipt of the data files necessary to conduct and complete such testing.

Our Customer Care Specialists will be trained on the programs prior to the initial enrollment period. They will receive training regarding the plan's nuances and benefit-specific information.

FBMC will utilize a group of Enrollment Counselors, supervised by Bill Aye, to attend scheduled Open Enrollment meetings across the State.

Enrollment data for both programs will be collected electronically, with the exception of some paper election forms. For the annual open enrollment of the FSA program, FBMC's web enrollment and IVR applications will be used to capture enrollment data. Additionally, paper enrollment forms will be available and will be data entered into FBMC's system, with date/time comparisons to any web or IVR enrollment the employees may have completed to ensure that only the most recent enrollment is kept.

After the open enrollment period, complete enrollment data files and/or listings will be provided to the State payroll agencies to set up payroll deductions for the new Plan Year. QTB enrollment is continuous, and re-enrollment is not necessary. FBMC will generate and distribute Confirmation Notices to the participating employees prior to the beginning of the Plan year, together with FSA claim and direct deposit forms.

For the QTB program, employees will enroll through FBMC's website to purchase transit passes, have their parking provider paid, and/or establish transit or parking reimbursement arrangements on a monthly basis. Upon each month's enrollment/changes cut-off date for the following month's benefit, enrollment data from the transit provider will be imported into FBMC's system where applicable pre-tax rules will be applied and separate Commuter Benefits enrollment files will be produced and provided to Wisconsin payroll agencies on a monthly basis.

FBMC prepares an electronic Confirmation of Benefits Notice for each participant. It confirms coverage amounts and provides an electronic HIPAA Privacy Notice and benefits information sheet.

If approved by the State, participants will receive the *myFBMC Card*SM by separate mailing that will include two Cards (one for the participant and one for a dependent) and instructions on Card activation and usage.

On the following pages, we have included an organizational chart that illustrates the key functional teams (and their reporting relationships with respect to their interactions with the State) that will be engaged in implementation and administration, followed by a detailed implementation plan which identifies the key tasks, approximate dates and responsible parties. Also included is a sample timeline for the QTB transit and parking benefit ordering process.

**Preliminary Implementation Schedule for the State of Wisconsin, FSA and QTB Programs
Plan Year 01/01/2010 – 12/31/2010**

I.D.	Project Task Name	Start Date	Finish Date	Responsibility
01.	State issues Intent to negotiate with selected Vendor	06/19/2009		STATE
02.	Written notification of contract award received by FBMC	07/01/2009		STATE
03.	Case Implementation Authorization (CIA) issued by FBMC - Official authorization for all functional teams to begin preparation for enrollment and implementation - Assign internal team members to the case	07/03/2009		FBMC
04.	Conference call with STATE	07/06/2009		FBMC/STATE
05.	Enrollment/Implementation kick-off meeting for FBMC internal functional teams - Identify resources (especially Customer Care) to handle the administration of the case. Define steps to hire and train additional staff (if needed) - Identify system resources - Review of the contract and services - Distribute tasks and responsibilities to all functional teams - Establish timelines and weekly control meetings	07/08/2009		FBMC
06.	System & Administrative implementation discussions with SOW - Collect and evaluate requirements and business specifications - Identify programming requirements and system specifications - Define data exchange parameters and develop data exchange layouts - Establish timelines for programming and testing - Review management reports - Review administrative processes for handling Change in Status requests and Appeals - Review administrative procedures	07/10/2009	07/31/2009	FBMC/STATE

**Preliminary Implementation Schedule for the State of Wisconsin, FSA and QTB Programs
Plan Year 01/01/2010 – 12/31/2010**

I.D.	Project Task Name	Start Date	Finish Date	Responsibility
07.	Discuss communication objectives/marketing focus with State - Identify enrollment materials type, volume and content - Identify enrollment theme and strategy for enrollment marketing - Coordinate material creation and distribution - Assign appropriate parties between FBMC and all vendors to oversee and monitor communications project timelines and objectives - Forms design (Change in Status, etc.)	07/10/2009	07/31/2009	FBMC/STATE
08.	FBMC receives test data files (eligibility, payroll)	08/03/2009	08/07/2009	FBMC/STATE
09.	Establish/review enrollment schedule - Develop sessions schedule for Open Enrollment meetings	08/03/2009	08/07/2009	FBMC/STATE
10.	Develop enrollment materials - Enrollment flyers - Enrollment posters - Enrollment booklet and form - Card materials	08/03/2009	08/28/2009	FBMC
11.	Conference call with State	08/21/2009		FBMC/STATE
12.	Enrollment materials review (FBMC internal, State)	08/31/2009	09/04/2009	FBMC/STATE
13.	Distribute draft of Implementation Overview and Project Plan to STATE for review and approval - Implementation Overview outlines decided business rules and procedures - Project Plan outlines timelines of deliverables and responsible parties	09/07/2009	09/18/2009	FBMC/STATE
14.	Review and update Plan Documents as necessary	09/07/2009	09/18/2009	FBMC

**Preliminary Implementation Schedule for the State of Wisconsin, FSA and QTB Programs
Plan Year 01/01/2010 – 12/31/2010**

I.D.	Project Task Name	Start Date	Finish Date	Responsibility
15.	Testing of Web/IVR enrollment systems	09/14/2009		
16.	Make necessary changes to Web and IVR enrollment processes	09/14/2009	09/25/2009	FBMC
17.	Update enrollment materials; second review of the enrollment materials	09/16/2009	09/23/2009	FBMC/STATE
18.	Contact payroll agency contacts regarding any plan design or data exchange changes/timelines	09/16/2009	09/23/2009	FBMC
19.	Request payroll calendar from all agencies for 2010	09/16/2009	09/23/2009	FBMC
20.	Conference call with STATE	09/25/2009		FBMC/STATE
21.	Update/finalize enrollment materials	09/28/2009	10/02/2009	FBMC
22.	STATE provides FBMC with 2010 payroll dates, including cutoff dates	09/28/2009	10/02/2009	STATE
23.	FBMC receives “live” eligibility data file	09/28/2009	09/30/2009	STATE
24.	FBMC's CCSs trained	10/12/2009	10/16/2009	FBMC
25.	FBMC website updates (communications materials, schedules)	10/14/2009	10/16/2009	FBMC
26.	Conference call with STATE	10/16/2009		FBMC/STATE
27.	Open Enrollment Begins	10/05/2009		STATE
28.	Employees enroll for FSA via FBMC website or IVR; QTB via FBMC website	10/05/2009	11/13/2009	EMPLOYEES

**Preliminary Implementation Schedule for the State of Wisconsin, FSA and QTB Programs
Plan Year 01/01/2010 – 12/31/2010**

I.D.	Project Task Name	Start Date	Finish Date	Responsibility
29.	Participants elect direct deposit	10/05/2009	ONGOING	FBMC
30.	Daily posting of enrollment data to FBMC's system	10/05/2009	ONGOING	FBMC
31.	Print and mail first batch of Welcome Kits	10/09/2009	ONGOING	FBMC
32.	Confirmation detail report sent to State at same time as each batch of confirmation notices goes out	10/09/2009	ONGOING	FBMC
33.	Conference call with STATE	11/06/2009		FBMC/STATE
34.	Open Enrollment Ends	11/13/2009		STATE
35.	Final batches of Welcome Kits sent to participants	11/16/2009	12/04/2009	FBMC
36.	Banking arrangements for 2010 Plan Year finalized	11/23/2009	11/27/2009	FBMC
37.	Deadline for receipt of all Appeals enrollment forms	11/27/2009		FBMC
38.	FBMC calculates and provides Card pre-funding requirements to STATE	12/04/2009	12/07/2009	FBMC
39.	Non-Discrimination Testing requirements sent to STATE	12/04/2009	12/11/2009	FBMC
40.	FBMC exports enrollment data files to State/agencies	12/07/2009	12/11/2009	FBMC
41.	Card pre-funding received; Card value load and issuance	12/14/2009	12/28/2009	FBMC/STATE
42.	Conference call with STATE	12/18/2009		FBMC/STATE
43.	Non-Discrimination Testing data due to FBMC	12/18/2009	12/31/2009	STATE

**Preliminary Implementation Schedule for the State of Wisconsin, FSA and QTB Programs
Plan Year 01/01/2010 – 12/31/2010**

I.D.	Project Task Name	Start Date	Finish Date	Responsibility
44.	2010 Plan Year starts	01/01/2010		FBMC
45.	Participants submit claims for reimbursement - Paper claims via toll-free fax or mail - Online - Card	01/01/2010	ONGOING DAILY	
46.	State payroll deduction for monthly paid participants	01/07/2010	ONGOING EACH PAY PERIOD	STATE/FBMC
47.	FBMC prepares and provides discrepancy listings	01/01/2010	ONGOING EACH PAY PERIOD	FBMC
48.	FBMC reimburses claims	01/01/2010	ONGOING	FBMC
49.	Eligibility/Current Benefits/Changes in Status data to FBMC	01/01/2010	ONGOING	STATE
50.	Non-Discrimination Testing results to State	01/04/2010	01/15/2010	FBMC
51.	Monthly reports due	02/10/2010	ONGOING MONTHLY	FBMC
52.	Monthly Account Activity Statements provided to activated Card participants	02/10/2010	ONGOING MONTHLY	FBMC
53.	Quarterly Account Activity Statements sent to non-activated Card participants	04/10/2010	ONGOING QUARTERLY	FBMC

**Preliminary Implementation Schedule for the State of Wisconsin, FSA and QTB Programs
Plan Year 01/01/2010 – 12/31/2010**

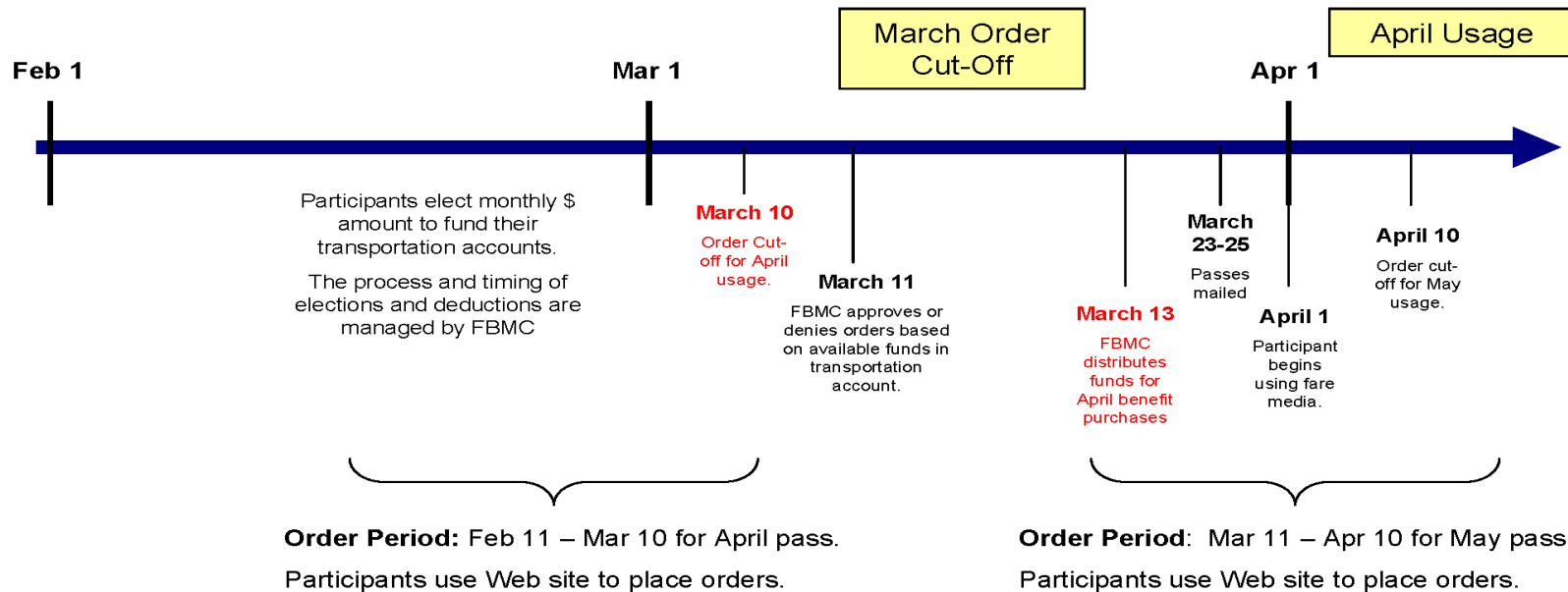
I.D.	Project Task Name	Start Date	Finish Date	Responsibility
54.	Quarterly reports sent to STATE	04/10/2010	ONGOING QUARTERLY	FBMC
55.	Quarterly Service Level Agreement (PS&G) report provided to STATE	04/10/2010	ONGOING QUARTERLY	FBMC
56.	"Use it or Lose it" Notices sent	11/01/2010	11/05/2010	FBMC
57.	2010 Plan Year ends	12/31/2010		STATE
58.	Processing of grace-period claims	01/01/2011	03/15/2011 ONGOING ANNUALLY	FBMC
59.	Processing of Run-Out period claims	01/01/2011	03/31/2011 ONGOING ANNUALLY	FBMC
60.	Delivery of Forfeiture, Surplus Funds and Annual Review reports to STATE	06/30/2011	ONGOING ANNUALLY	FBMC

Sample Timeline for Ordering Transit Passes

Dates are flexible, except those in red (which indicate the latest possible deadline).

Key Elements of this Model:

- Election and ordering are two separate steps.
- Orders are approved based on available balance in participant's transportation account.
- Short lead time: orders can be placed until the 10th of the month prior to usage.
- Post-tax amounts can be payroll deduct or credit card.



8.2 Provide a list and description of the data and other information that will be needed to complete the implementation. Include data and information that you expect to be provided by the predecessor administrator and the Department. Include any assumptions or constraints regarding ETF resources. No ETF positions are dedicated solely to this implementation.

The data FBMC will require includes enrollment, eligibility, payroll, non-discrimination and current benefits. The current benefits data file facilitates auto-substantiation of Card claims, when the Card is selected by the client. Below is a listing, by data type and agency, of the data FBMC will require for the implementation and administration of the programs.

Client Requirements – State of Wisconsin 2009 Plan Year
Version Number 2.0

6.2. Data Exchange Summary				
Summary Data Exchange				
File/Data Type	Flow	Layout	Methodology /Security	Trigger
Eligibility Data	WI Central Payroll > FBMC	WISELCP (Custom)	C-SFTP	Biweekly
Eligibility Data	WI Peterson > FBMC	WISEL (Custom)	F-SFTP	Bi-monthly
Eligibility Data	WI University Hospitals & Clinics > FBMC	WISEL (Custom)	F-SFTP/PGP	Monthly
Eligibility Data	WI Independents > FBMC	WISEL (Custom)	F-SFTP	Monthly
Eligibility Data	WHEDA > FBMC	WISEL (Custom)	F-SFTP	Monthly
Eligibility Data	Milwaukee District Attorneys > FBMC	Paper Listing	Faxed	Annually - Open Enrollment
Eligibility Data	WISCRAFT > FBMC	Paper Listing	Faxed	Annually - Open Enrollment
Payroll Reduction Data	WI Central Payroll > FBMC	WICENPR (Custom)	C-SFTP	Payroll
Payroll Reduction Data	WI Peterson > FBMC	WISPETPR (Custom)	F-SFTP	Payroll
Payroll Reduction Data	WI University Hospitals & Clinics > FBMC	WISPETPR (Custom)	F-SFTP/PGP	Payroll
Payroll Reduction Data	WI Independents > FBMC	WISINDP (Custom)	F-SFTP	Payroll
Payroll Reduction Data	WHEDA > FBMC	WISPETPR (Custom)	F-SFTP	Payroll
Payroll Reduction Data	Milwaukee District Attorneys > FBMC	Paper Listing	Faxed	Payroll
Payroll Reduction Data	WISCRAFT > FBMC	Paper Listing	Faxed	Payroll
(FSA) Enrollment Export	FBMC > WI Central Payroll	WISCENER (Custom)	C-SFTP	Enrollment End/1 st Payroll Cutoff
(FSA) Enrollment Export	FBMC > Peterson	WISPETER (Custom)	F-SFTP	Enrollment End/1 st Payroll Cutoff
(FSA) Enrollment	FBMC > Independents	WISPETER (Custom)	F-SFTP	Enrollment End/1 st Payroll

Client Requirements – State of Wisconsin 2009 Plan Year Version Number 2.0				
Export (FSA) Enrollment Export	FBMC >WHEDA	WISPETER (Custom)	Email/PGP	Cutoff Enrollment End/1 st Payroll Cutoff
Export (FSA) Enrollment Export	FBMC >Milwaukee District Attorneys	Listing	Fax	Enrollment End/1 st Payroll Cutoff
Export (FSA) Enrollment Export	FBMC >WHEFA	Listing	Fax	Enrollment End/1 st Payroll Cutoff
Export (FSA) Enrollment Export	FBMC >WISCRAFT	Listing	Email/WinZip 9.0 encryption	Enrollment End/1 st Payroll Cutoff

8.3 Identify the staff members by area of expertise who will be assigned to the implementation team.

The implementation team staff members will include the following FBMC employees:

- April Sheffield, CFC, Account Manager – Client Services
- Bill Lewis, PMO Manager – Information Systems, Deployment and Development
- Brent Hughes, Business Analyst – Information Systems, Deployment and Development
- Rik Bist, Sr. Copywriter - Communications
- Maria Stephens, Sr. Graphic Artist - Communications
- Bill Aye, Client Liaison – Client Services
- Gina Robertson, Client Services Specialist – Client Services
- Jeff Latimer, Team Leader – MIS
- Muriel Etienne, Regulatory Compliance Specialist – Standards & Practices
- Joann Maxwell, Team Leader – Accounting Disbursements
- Antoinette Mitcham, Team Leader – Enrollment Processing
- Jennifer Victorine, Manager – Enrollment Management
- Alicia Schaeffner, Account Coordinator – Client Services
- Kendall Hall, Manager – Card Services

8.5 Provide a comprehensive turnover plan that provides a timeline of major tasks, activities, and information that will be provided to the succeeding vendor when relinquishing responsibilities at termination of contract. In the event that the contractor terminates the contract, an updated turnover plan must accompany the notice of termination. In the event the Board terminates the Contract, the contractor must send an updated turnover plan to ETF within thirty (30) days of the written notice to the contractor.

Our Turnover Plan is the organizing document for the orderly and controlled transition of the State of Wisconsin FSA and QTB program administrative services from FBMC to a successor Vendor, without any interruptions of processes and services provided.

The purpose of the Turnover Plan is that it is to be used as a functional guideline to support the completion of all turnover requirements.

The State seeks an orderly, controlled, low-risk turnover of the FSA and QTB operations, while maintaining continuity and service levels to the State, agencies and participants.

The best interests of State and its participants are well served if activities are performed without interruption or degradation of performance.

The turnover of FSA and QTB operations from FBMC to a successor Vendor requires careful planning and clear communications among all parties involved in operating the programs during turnover. The transition must not disrupt services to customers and must be seamless. With this in mind, FBMC's turnover objectives are:

- Provide and maintain high quality and professional services in a manner that is seamless to all customers
- Ensure updates on the progress of the turnover are performed regularly and to the satisfaction of the State
- Transfer responsibility for operation of the FSA and QTB programs to the State or successor Vendor

FBMC understands that the turnover plan will require working closely and cooperatively with the State and successor Vendor.

FBMC will approach the turnover in the same spirit of cooperation and partnership the State and FBMC have shared throughout our contractual relationship which began in 1990.

FBMC will utilize management controls to ensure the smooth turnover of the FSA and QTB programs to the new Vendor.

FBMC's project director will oversee and direct the team based on the turnover schedule to ensure that all tasks are completely timely and to the satisfaction of the requirements.

FSA Program

The State of Wisconsin FSA Plan Year is on a calendar year basis, and includes a 75-day grace period and a 90-day run out period. The grace period runs from 1/1 through 3/15 and is the period during which FSA participants can incur claims in the new Plan Year but utilize any funds remaining from the prior Plan Year. The run out period runs from 1/1 through 3/31 and is the period during which FSA participants can continue to file claims which were incurred in the previous Plan Year but not yet reimbursed.

The transition to a successor Vendor would include the cessation of all administrative services by the agreed date. FBMC conducts an annual Open Enrollment for the State which occurs during October-November and precedes the new Plan Year which runs from 1/1 through 12/31. FBMC would not conduct the Open Enrollment for the succeeding Plan Year as part of the transition plan.

QTB program

The QTB program is a benefit that has continuing enrollment on a month-to-month basis. Participants can stop or start deductions at will be enrolling or canceling enrollment. A mutually agreeable date would be established in advance for the transition of QTB administration services to a successor Vendor. QTB elections and deductions occur prior to the month the services are incurred. A cut-off date would be established for the cessation of all administrative services.

Following is a brief listing of some of the key tasks and timelines associated with the orderly transition of FSA and QTB administration services.

Preliminary Turnover Plan for the State of Wisconsin, FSA and QTB Programs

I.D.	Project Task Name	Start Date	Finish Date	Responsibility
01.	State issues termination notice to FBMC	06/19/2009		STATE
02.	Written notification of contract termination received by FBMC	07/01/2009		STATE
03.	FBMC internal functional teams meet to discuss turnover timelines, requirements and activities <ul style="list-style-type: none"> - Review of the contract and services - Distribute tasks and responsibilities to all functional teams - Establish timelines and control meetings 	07/10/2009	07/31/2009	FBMC
04.	System & Administrative turnover discussions with STATE <ul style="list-style-type: none"> - Collect and evaluate requirements and business specifications - Identify programming requirements - Define data exchange parameters - Establish timelines for turnover activities - Review final management reports - Review administrative procedures - Review grace and run-out period processes and requirements - Claims funding requirements 	07/10/2009	07/31/2009	FBMC/STATE
05.	Discuss communications required to notify participants of the turnover process to a successor Vendor <ul style="list-style-type: none"> - Identify communications (letters/e-mails) to be sent to participants - Coordinate material creation and distribution 	08/03/2009	08/28/2009	FBMC/STATE
06.	STATE arranges conference call with FBMC and successor Vendor <ul style="list-style-type: none"> - Identify data requirements - Establish associated timelines - Establish funding requirements 	09/01/2009	09/11/2009	STATE

Preliminary Turnover Plan for the State of Wisconsin, FSA and QTB Programs

I.D.	Project Task Name	Start Date	Finish Date	Responsibility
07.	Successor Vendor and/or STATE send communications to current participants prior to Open Enrollment start, announcing change in Vendor, enrollment and claims procedures	09/21/2009	09/25/2009	STATE
08.	Participants continue to file claims incurred in 2009 to FBMC for reimbursement	ONGOING	12/31/2009	FBMC
09.	Open Enrollment starts, conducted by new Vendor	10/05/2009		STATE / VENDOR
10.	Open Enrollment ends, conducted by new Vendor	11/13/2009		STATE / VENDOR
11.	Final Plan Year payroll deductions received from State/agencies	12/04/2009	12/18/2009	FBMC
12.	Claims cut-off date, previously established in communications to participants	12/31/2009		
13.	myFBMC Card SM is turned off for all participants (if applicable)	12/31/2009		
14.	Final claims reimbursements issued by check or direct deposit	12/31/2009		FBMC
15.	FBMC's on-site Client Liaison termination of services, closure of office	12/31/2009		FBMC
16.	FBMC website, IVR and toll-free Customer Services terminated	12/31/2009		FBMC
17.	2010 Plan Year starts	01/01/2010		STATE
18.	FBMC prepares data files required by new Vendor for turnover of records, with close-out of all claims	01/01/2010	01/08/2010	FBMC
19.	Funding for claims reimbursements transferred to new Vendor	01/01/2010	01/08/2010	STATE/FBMC

Preliminary Turnover Plan for the State of Wisconsin, FSA and QTB Programs

I.D.	Project Task Name	Start Date	Finish Date	Responsibility
20.	Hard copy or faxed claims received by FBMC shipped to new Vendor	01/01/2010	ONGOING	FBMC
21.	Data transmitted securely to new Vendor	01/11/2010		FBMC
22.	New Vendor begins to process grace and run-out period claims from 2009 Plan Year, and newly incurred claims for 2010 Plan Year	01/11/2010	ONGOING	VENDOR
23.	FBMC bank account closed	01/15/2010		FBMC
24.	Final reports prepared, including forfeitures and surplus, Performance Standards & Guarantees, and provided to STATE	01/25/2010	02/12/2010	FBMC