PROPOSAL FOR

The Wisconsin Department of Employee Trust Funds

Employee Reimbursement Accounts & Commuting Benefits

Flexible Spending Account | Health Reimbursement Account | Health Savings Account | Transit & Parking | eCOBRA

Prepared by

eflex

2740 Ski Lane
Madison, WI 53713

Prepared for

etf
WISCONSIN DEPARTMENT
OF EMPLOYEE TRUST FUNDS

May 1, 2014

April 2014

Michael McNally
Department of Employee Trust Funds
801 West Badger Road
Madison, Wisconsin 53713-2526

RFP Numbers:
ETE0002 – Third Party Administration for Employee Reimbursement Accounts and Commuter Benefits
ETE0003 – Third Party Administration for Health Savings Accounts and Limited Spending Accounts

Dear Mr. McNally:

On behalf of eflexgroup, Inc. (eflex), I am pleased to submit our proposal to the State of Wisconsin Department of Employee Trust Funds (ETF) for Employee Reimbursement Accounts, Commuter Benefits, Health Savings Accounts, and Limited Spending Accounts. We offer the best third party administrative solutions in the consumer-driven health market, and we're excited to share our services with you. At eflex, we offer many of the same standard administrative services as other TPAs: online account access, mobile app, compliance, 24/7 customer support, etc. But you'll notice that we stand out—our team is united by the same vision and passion to serve the needs of the customer.

All account services will be handled at our headquarters located in Madison, Wisconsin at 2740 Ski Lane. As Lead Account Manager, I will be handling the overall account responsibilities and working with ETF to meet the highest levels of service. Along with my ongoing support, implementation will be managed by our Director of Client Services, Ryan Knautz, who will work with you every step of the way to ensure a smooth transition.

We provide cost-effective and worry-free solutions backed by the highest levels of security available, exceptional accuracy, efficiency, and the best customer service in the industry. Anyone can say they promise great service, but we actually prove it.

We offer ETF:

- Easy to understand enrollment including online kits, the print function for paper
- Reimbursement options – daily, bi-weekly (Tuesday and Thursday), or weekly (Friday)
- Annual discrimination testing
- 2.5 Grace Period Extension or $500 Carryover at the plan year-end
- Fast claims processing – the average claim turnaround is less than one day
- Online access to Summary Plan Document

ETF and your employees will enjoy 24/7 online services. View secure account information online, review claims history, check balances, and submit claims at the click of a mouse. And, with our free mobile app, employees can manage their accounts on the go any time. They can even file claims and upload receipts using the camera on their smart device.

Our website allows employees and employers to self-service their account and execute essential functions when it's convenient for them. We also offer seamless administration across our product lines so employees have complete access to all their benefit accounts. Anyone who visits eflexgroup.com can find out more about our products and access a multitude of tools, including:

- Live Chat
- FAQ
- News Updates
- Compliance Information
- Forms
- Tax Savings Calculators
- Daily Statistics
- Educational Materials

In addition to the information listed above, employees will enjoy 24-hour access to their personal account information in real time, including:

- Account balances
- Downloadable forms
- Claim status and history
- Dependent information

Our solution is simple: **We offer service and performance levels you rarely find in today's marketplace**. We are confident that we can provide you with reliable, trustworthy, and worry-free administration.

We look forward to demonstrating just how easy eflex administration can be. Please let me know if I can provide you with any additional information on our offerings, or anything that will help in your evaluation process. We would love to earn your business.

Sincerely,

Nancy Dantzman

Nancy Dantzman
Vice President – Business Development
608.206.7229
nancyd@eflexgroup.com

APPENDIX A
PROPOSER'S CHECKLIST

RFP ETE0002 and ETE0003

Mandatory

This appendix must be completed with the proposal.

(√) PROPOSER CHECKLIST: Complete the proposer checklist provided as Appendix A to this RFP and include it with your proposal.

(√) SIGNED COVER SHEET (DOA 3261): Complete DOA 3261, the first page in this proposal document, and include it with your proposal.

(√) Tab 1 – TRANSMITTAL LETTER: A signed transmittal letter must accompany the proposal. The transmittal letter must be written on the vendor's official business stationery and signed by an official that is authorized to legally bind the vendor. Include in the letter:

I. Name, signature and title of proposer's authorized representative.

II. Name and address of firm.

III. Telephone number, fax number, and e-mail address of representative.

IV. Title(s) and RFP number(s) Executive Summary.

V. A statement that the proposal is a firm and irrevocable offer for six (6) months after the proposal due date.

(√) Tab 2 – REQUIRED FORMS: The vendor must complete and/or include the following required State of Wisconsin forms:

I. Mandatory Requirements – Appendix B

II. Designation of Confidential and Proprietary Information – Appendix C

III. Standard Terms and Conditions (DOA-3054) and Supplemental Standard Terms and Conditions (DOA-3681) – Appendix D

IV. Vendor Information (DOA-3477) and Reference Sheets (DOA-3478) – Appendix E. 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. Although these clients shall serve as the primary references for purposes of this RFP, the Board specifically reserves the right to contact **any** clients or past clients for information about the firm's performance under past and present contracts.

(√) Tab 3 - RESPONSE TO SECTIONS 2 & 3: Provide a point-by-point response to each and every statement in Sections 2 & 3. The response must exactly follow the same numbering system, use the same headings, and address each point or sub-point in Sections 2 & 3. Proposers should display each requirement immediately preceding the response to that requirement. Provide a succinct explanation of how

each requirement is addressed. Merely indicating that you will complete a task without demonstrating how you will do so may result in your proposal being rejected. Use tab separations. The RFP sections that require a response are:

- Section 2 MANDATORY PROPOSER QUALIFICATIONS & TERMS.
- Section 3 RFP specific (ETE0002 and/or ETE0003) THIRD PARTY ADMINISTRATIVE SERVICES REQUIRED.

If a specific response(s) in Sections 2 & 3 is not provided because your firm is not proposing to provide services for that program (see Section 1.1, RFP Introduction, for details on program proposing options), you shall still provide a response including the information regarding which programs are included and not included in your proposal.

(√) Tab 4 – ASSUMPTIONS AND EXCEPTIONS: All assumptions and exceptions must be included in this tab. Provide a succinct explanation for each item as well as a reference to the section of the proposal it relates to. **Any assumption or exception made but not included in this Tab 4 will be invalid.** Exceptions to ETF's contract terms and conditions may be considered during contract negotiations if it is beneficial to ETF. **If exceptions to the standard terms are not presented in this section, they may not be discussed or considered during contract negotiations.** When documenting assumptions and exceptions, clearly label each exception with one of the following labels:

- RFP Assumption(s).
- RFP Exception(s).
- Standard Term Exception(s).

(√) Tab 5 – COST PROPOSAL: Cost Proposal located in Appendix F. Failure to provide a cost using the exact form provided in Appendix F will result in your proposal being disqualified and rejected. **No mention of the cost proposal may be made in any other part of the response to these RFPs.** Increases in future annual charges during the contract term will be determined as described in Section 1.2.8. **Any exception to this requirement must be stated on the cost proposal.** Under no circumstances will proposals be considered if any increase exceeds the appropriate inflationary indices. If the vendor proposes additional services beyond those described in these RFPs, such services should be outlined and separately priced in the sealed cost proposal.

PROPOSING VENDOR NAME: DATE:

eflexgroup, Inc. **April 29, 2014**

AUTHORIZED REPRESENTATIVE:

Nancy Dantzman, Vice President – Business Development

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

REQUESTS FOR PROPOSAL

ETE0002 – Third Party Administration for Employee Reimbursement Accounts (ERA) and Commuter Benefits

ETE0003 – Third Party Administration for Health Savings Accounts (HSA) and Limited Flexible Spending Accounts (LFSA)

THIS IS NOT AN ORDER

VENDOR (Name and Address)

eflexgroup, Inc.

2740 Ski Lane

Madison, Wisconsin 53713-3267

Proposal envelope must be sealed and plainly marked in lower left corner with due date and **Request for Proposal ETE0002 and/or ETE0003**. 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 May 1, 2:00 PM, CST	Public Opening ☐ No Public Opening ☒
Name (Contact for further information) Michael McNally	
Phone (608) 261-9032	Date April 3, 2014
Quote Price and Delivery FOB Madison, WI	

Description: Request for Proposals (RFP) for services to be provided as the administrative services to the State of Wisconsin Employee Trust Funds Board for the Employee Reimbursement Accounts and Commuter Benefits (ETE0002) and/or Health Savings Accounts and Limited Flexible Savings Accounts (ETE0003) offered by the State of Wisconsin Employee Trust Funds Board and the State of Wisconsin Group Insurance Board.

RFP ETE0002 and ETE0003 amendments, questions and answers will be posted on the ETF website http://etfextranet.it.state.wi.us/ and will not be mailed.

Payment Terms:	Delivery Time:

☐ We claim minority proposer preference [Wis. Stats. s. 16.75(3m)]. Under Wisconsin Statutes, a 5% preference may be granted to CERTIFIED Minority Business Enterprises. Proposer must be certified. If you have questions concerning the certification process, contact the Minority Business Certification Program, 101 E Wilson St, 6th Floor, Madison, WI 53707; Tel: (608) 267-9550; Fax: (608) 267-0600; DOABDMBD@Wisconsin.gov. **Does Not Apply to Printing Bids.**

☐ We are a work center certified under Wis. Stats. s. 16.752 employing persons with severe disabilities. Questions concerning the certification process should be addressed to the Work Center Program, State Bureau of Procurement, 6th Floor, 101 E. Wilson St., Madison, Wisconsin 53702, (608) 266-2605.

Wis. Stats. s. 16.754 directs the state to purchase materials which are manufactured to the greatest extent in the United States when all other factors are substantially equal. Materials covered in our proposal were manufactured in whole or in substantial part within the United States, or the majority of the component parts thereof were manufactured in whole or in substantial part in the United States.

☐Yes ☐No ☐Unknown

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 Firm Representative (Type or Print)	Title	Phone **(608) 206.7229**
Nancy Dantzman	**Vice President – Business Development**	Fax **(608) 237.3829**

Signature of Above	Date	Federal Employer Identification No.	Social Security No. if Sole Proprietor (Voluntary)
Nancy Dantzman	**4/29/2014**	**39-1982109**	

April 2014

Michael McNally
Department of Employee Trust Funds
PO Box 7931
Madison, Wisconsin 53707-7913

Re: Transmittal Letter

Firm information

eflexgroup, Inc. (eflex)
2740 Ski Lane
Madison, Wisconsin 53713
Phone: 608.243.8277 Toll Free: 877.933.3539
FAX: 608.245.9342 Toll Free: 877.231.1287

Lead Account Management

Nancy Dantzman, Vice President – Business Development

✓608.237.3015 ext. 123 ✓608.206.7229/cell ✓608.237.3829/FAX
✓ nancyd@eflexgroup.com

RFP Title

ETE0002 – Third Party Administration for Employee Reimbursement Accounts and Commuter Benefits
ETE0003 – Third Party Administration for Health Savings Accounts and Limited Spending Accounts

On behalf of eflexgroup, Inc. (eflex), please consider this our transmittal letter to the State of Wisconsin Department of Employee Trust Funds (ETF) to perform all services outlined within our proposal response.

Executive Summary

I am pleased to submit our proposed Third Party Administrative Services for Employee Reimbursement Accounts, Commuter Benefits, Health Savings Accounts, and Limited Spending Accounts for the Department of Employee Trust Funds (ETF). As you review our materials, you'll find that we offer many of the same standard administrative services as other TPAs—online account access and reports, compliance, debit cards, educational materials, toll-free customer care, etc. The difference is, at eflex, we focus on one thing: unparalleled service to our clients and participants.

Organizational Philosophies

Our company founders, Tom Jacobs and Ric Joyner, developed eflex and eCOBRA out of their passion for compliance and the unique understanding that benefits administration should be easier. Through

staff expertise, web self-service, and quality tools, eflex and the engine behind the passion has come alive to produce a national leader in pre-tax employee benefits resources and COBRA administration.

Our eflex management team and staff of more than 100 local employees have been skillfully selected and trained for efficiency and accuracy. Each staff member shares the same vision and passion—serving the needs of the customer.

Lean Six Sigma Quality

We have aligned our operational strategy with business goals and objectives, designed systems to meet customer needs and expectations, and continue to improve our performance using Lean Six Sigma (LSS) quality tools. These tools allow us the flexibility to exceed our customers' expectations with proven results.

Through Lean Six Sigma we were able to successfully curb expenses, further boost profits, employee efficiency, morale, and offer our customers world-class service. We've received four major awards from our partner Evolution 1 (EV1), standing out amongst more than 450 other Ev1 partners:

- 2013: Platform Partner of the Year
- 2012: Service Excellence Award
- 2011: Prestigious Leadership Award
- 2009: Platform Partner of the Year

Provable Service

At eflex, our top priority is to deliver easy-to-use solutions backed by the highest levels of service. We offer the technology, reliability, and integration you need to provide trouble-free, affordable solutions.

We process an average of nearly 106,000 claims per month with an error rate of less than 1%. Our average processing time over the past four years has been less than one day. Plus, 100% of all claims are processed within two days.

We use a personal touch with our rapid-response call center, live chat and online account review for employers and employees. Operating under the standards of fast answers, fast payments, and web self-service, eflex is creating the highest standards for customer service and innovation in the consumer-driven health market.

We provide a toll-free, Customer Service telephone number (877-933-3539) with a 'live' customer service representative 24/7/365. Our standard customer service hours are 7a.m. to 8p.m. CT, Monday through Friday, and Saturday 8a.m. to 4p.m. We also employ a Madison-based, outside call center to assist with overflow during peak business and when our office is closed. We feel it is important that participants reach a live person when calling our customer service center.

Engaging Participants

In addition to providing the best and fastest service in the industry, we have gained the trust of our customers by implementing solutions that work. Our vast experience allows us to recognize areas of opportunity in benefits administration and its effect on employee participation. For example, our on-boarding process and educational materials increase participation in component programs, which allow our clients to stretch their budgets.

Experience

Celebrating 14 years of reliable, friendly service in January, we hold steadfast to our core competencies: fast answers, fast claims, and web self-service. We stand behind these values and we aren't shy about sharing our service metrics with you. We invite you to visit our website at eflexgroup.com to see today's service metrics, they are updated daily. Our solution is simple: We offer service and performance levels you rarely find in today's marketplace. We are confident that we can provide you with reliable, trustworthy, and worry-free administration.

We look forward to demonstrating just how easy eflex administration can be. Please let me know if I can provide you with any additional information on our offerings, or anything that will help in your evaluation process. We would love to earn your business.

Commitments

I have carefully reviewed and accept ETF's Terms and Conditions and confirm our offer is firm for the specified six (6) months. By my signature below, I confirm that I am authorized to bind and commit eflex to our proposal response.

Sincerely,

Nancy Dantzman

Nancy Dantzman
Vice President – Business Development
608.206.7229
nancyd@eflexgroup.com

APPENDIX B
MANDATORY REQUIREMENTS

RFP ETE0002 and ETE0003

This appendix must be completed with the proposal.

MANDATORY REQUIREMENTS	**Check One**	
The following requirements are mandatory and must be met by any vendor who submits a proposal. Failure to comply with one or more of the mandatory requirements may disqualify the proposal. A response to each item in Appendix B is a mandatory requirement. If you cannot agree to each item listed, you must so specify along with the reason in Proposal Tab 4 – Assumptions and Exceptions – of your proposal response.	**Agree**	**Disagree**
The firm has no conflict of interest with regard to any other work performed by the firm for the State of Wisconsin.	√	
The firm adhered to the instructions in this RFP on preparing and submitting the proposal.	√	
The firm has not been suspended or debarred from performing government work.	√	
The firm agrees to meet all contractual requirements as stated in Sections 1, 2, 3, 4, 5 and Appendix D. The Proposer agrees to adhere to all ETF Department standards, terms, policies and procedures. Any exceptions to this statement must be cleared, in writing, by ETF.	√	
The firm has not been the subject of any disciplinary action or inquiry during the past five years.	√	
During the past five years, the firm has not been involved with any litigation alleging breach of contract, fraud, breach of fiduciary duty or other willful or negligent misconduct.	√	
The firm's level of expertise and experience will be evaluated and scored based on the responses submitted to Sections 2 and 3. Using the Reference Sheet in Appendix E, provide at least three references. Each reference must identify the state or plan for which you have provided similar services.	√	
The Proposer agrees to the terms in ETF's Business Associate Agreement in Appendix G.	√	

APPENDIX C
DESIGNATION OF CONFIDENTIAL AND PROPRIETARY INFORMATION

RFP ETE0002 and ETE0003

Mandatory

This appendix must be completed with the proposal.

The proposer must supply 2 electronic copies with all confidential material redacted on two flash drives and marked as "Redacted for Confidentiality." <u>The flash drives must be labeled on the outside with the vendor's name.</u>

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

DESIGNATION OF CONFIDENTIAL AND PROPRIETARY INFORMATION

The attached material submitted in response to Bid/Proposal # ETE0002 and ETE0003 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 bid/proposal response be treated as confidential material and not be released without our written approval.

Prices always become public information when bids/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.

We request that the following pages not be released:

Section	Page #	Topic

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 bid/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.

Firm Name **eflexgroup, Inc.**

Authorized Representative **Nancy Dantzman**
Signature

Authorized Representative **Nancy Dantzman**
Type or Print

Date **April 29, 2014**

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

APPENDIX D
STANDARD TERMS AND CONDITIONS

RFP ETE0002 and ETE0003

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 addressed in the Proposal
Tab 4 - Assumptions and Exceptions

Standard Terms and Conditions (Request for Bids / Proposals)

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

1.0 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. Proposers/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 proposer'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 proposers/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 industry wide. 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 proposer 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 fifty thousand dollars ($50,000) 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 fifty (50) 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 Proposer, equipment purchased as a result of this request shall be warranted against defects by the 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 non-appropriation 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). Proposers/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 Wisconsin Government Accountability Board, P.O. Box 7984, Madison, WI 53707-7984; by fax, to 608-267-0500; or by e-mail to gab@wi.gov.

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. Proposers 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 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 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 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 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 Proposer and will not knowingly be disclosed by the 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 Proposer or to any competitor; and

2.3 No attempt has been made or will be made by the 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 proposer'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 proposer'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
VENDOR INFORMATION AND REFERENCES

RFP ETE0002 and ETE0003

Mandatory

This appendix must be completed with the proposal.

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

1. BIDDING / PROPOSING FIRM NAME **eflexgroup, Inc. (eflex)**

   FEIN **39-1982109**

   Phone **(608) 243.8277** Toll Free Phone **(877) 933.3539**

   FAX **(608) 245.9342** E-mail Address

   Address **2740 Ski Lane**

   City **Madison** State **WI** Zip + 4 **53713-3267**

2. Name the person to contact for questions concerning this bid / proposal.

   Name **Nancy Dantzman** Title **Vice President – Business Development**

   Phone **(608) 206.7229** Toll Free Phone **(877) 933.3539 x123**

   FAX **(608) 237.3829** E-mail Address **nancyd@eflexgroup.com**

   Address **2740 Ski Lane**

   City **Madison** State **WI** Zip + 4 **53713-3267**

3. Any vendor awarded over $50,000 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 firm to contact about this plan.

   Name **Julie L. Beutler** Title **Human Resources Manager**

   Phone **(608) 268.5131** Toll Free Phone **(877) 933.3539 x 174**

   FAX **(608) 237.3852** E-mail Address **julie.beutler@eflexgroup.com**

   Address **2740 Ski Lane**

   City **Madison** State **WI** Zip + 4 **53713-3267**

4. Mailing address to which state purchase orders are mailed and person the department may contact concerning orders and billings.

Name	**Cheri Belz**	Title	**Manager Finance**
Phone	**(608) 237.3008**	Toll Free Phone	**(877) 933.3539 x 551**
FAX	**(608) 237.3828**	E-mail Address	**cheri.belz@eflexgroup.com**
Address	**2740 Ski Lane**		
City	**Madison**	State **WI**	Zip + 4 **53713-3267**

5. CEO / President Name **Micheal Herman**

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

STATE OF WISCONSIN
DOA-3478 (R12/96)

VENDOR REFERENCE

FOR VENDOR: **eflexgroup, Inc.**

Firm Name **City of Milwaukee**

Address (include Zip + 4) **200 East Well Street, Room 706, Milwaukee, WI 53202-3515**

Contact Person **Mike Brady** Phone No. **414.286.2317**

Product(s) and/or Service(s) Used **FSA, DCA, and Transit**

Firm Name **CUNA Mutual Insurance Society**

Address (include Zip + 4) **5910 Mineral Point Road, Madison, WI 53705-4456**

Contact Person **Steven Kalscheur** Phone No. **608.231.7267**

Product(s) and/or Service(s) Used **FSA, HRA, and COBRA**

Firm Name **Southern Wine of America, Inc.**

Address (include Zip + 4) **2400 SW 145th Avenue, Suite 250, Miramar, FL 33027-4230**

Contact Person **Michelle Toney** Phone No **954.252.7915**

Product(s) and/or Service(s) Used **FSA and DCA**

Firm 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.

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Attachment 13	Sample Employer Reports
Attachment 14	2013 Performance Measures
Attachment 15	FSA Adoption Agreement

2 Mandatory Proposer Qualifications and Terms

2.1 Experience and References

The Vendor's proposal package, at minimum, must include the following items, organized as indicated below identifying each program RFP (i.e. ETE0002 and/or ETE0003):

1. ***The firm's name, home office, address of the office providing services under the contract and the telephone number and appropriate FAX number.***

Our formal name is eflexgroup, Inc., we do business as eflex. Our home address and contact telephone and FAX numbers are:

2740 Ski Lane
Madison, Wisconsin 53713
Phone: 608.243.8277 Toll Free: 877.933.3539
FAX: 608.245.9342 Toll Free: 877.231.1287

We will perform all services at our local corporate headquarters in Madison. Overall account responsibility will be led by Chris Dittrich, Regional Sales Manager. Our key staff will effectively administer the Department of Employee Trust Funds (ETF) as a priority. Additionally we encourage you to contact our references for confirmation of our abilities to consistently provide excellent service.

2. ***A general description of the proposer, including size, number of employees, number of offices and locations, primary business (e.g. consulting, pension planning, insurance, etc.), other business or services, type of organization (franchise, corporation, partnership, etc.), and other descriptive material. Describe what you believe are your firm's strengths regarding client service; what distinguishes your firm from your competitors? Highlight any acquisitions, and/or mergers or other material developments (changes in ownership, personnel, business, etc.) pending now or that occurred in the past five years at your firm. Disclose any potential mergers or acquisitions that have been recently discussed by senior officials, and could potentially take place within the next three years after the contract start date.***

eflex is a privately held, national third-party administrator (TPA) that specializes in HRAs (Health Reimbursement Arrangements), FSAs (Flexible Spending Accounts), HSAs (Health Savings Accounts), POP (Premium Only Plans), COBRA Administration, Transportation Plans, and Enrollment and Eligibility

solutions. Our company founders/owners, Madisonians, Tom Jacobs and Ric Joyner, developed eflex and eCOBRA out of their passion for compliance and the unique understanding that benefits administration should be easier. Through staff expertise, web self-service, and quality tools, the engine behind the passion has come alive to produce a national leader in pre-tax employee benefits resources and COBRA administration. There have been no recent acquisitions, mergers, or dispositions, and there is nothing planned or in development.

Compliance Expertise

We take compliance very seriously and take no chances by exposing our clients to questionable practices. We are the company brokers and employers turn to for reliable interpretations and guidance. We also employ a Human Resources attorney on staff and retain one of the best employee benefits and tax attorneys in the Midwest. We will gladly share more information about our commitment to compliance and proprietary best practices, upon request.

Close to you

Based right here in Madison, eflex has more than 110 employees who have over 350 years of combined experience in pre-tax employee benefits administration, human resources, and COBRA. Our Sales staff is located throughout the nation, but all administration and customer service is handled at our Ski Lane office. eflex is one of the nation's leaders in self-service administration. We process an average of 106,000 claims per month with an error rate of less than 1%. **Our average processing time over the past four plus years is less than one day**. We not only measure our services, we post them on our website daily at eflexgroup.com.

Competencies

Our core competencies are fast answers, fast payments, and web self-service. We stand behind these competencies and can prove our service metrics at any time. In fact, we post them daily on our website at eflexgroup.com. At eflex, we don't talk about service, we prove it.

With a customer focus and Lean Six Sigma quality tools operating throughout the organization, we are miles ahead of our competitors in technology and offering unparalleled service.

To see what it's like to work with eflex, we encourage you to check our references listed in Appendix E. As well as this from Mike Brady, Benefits Director for the City of Milwaukee who wrote:

> *The City of Milwaukee has been pleased with the services of eflex. The transition to the new vendor was smooth and transparent to most employees. The use of the November 1 date, rather than a January 1 date for changeover made for a more reasonable process for all involved. Employees who use their debit card, use the internet, FAX or mail their receipt have found eflex very responsive. The ability to check on an employee's account has been facilitated*

by the eflex website, and the phone group at eflex have been responsive to the requests and questions of City of Milwaukee employees. Thank you eflex!

Stability

We have do not have any plans for major expansion, relocation, consolidation, merger, acquisition, type of sale or significant changes in operations. We are committed to continued growth for the benefit of our owners, employees, clients, and plan participants.

3. ***Identification of the lead account manager available for these programs. Identification of a second account manager who is available for working with the lead account manager on this engagement. Each person must meet or exceed the "Standards for Lead Account Manager" as provided in Section 2.2 of these specifications.***

We are pleased to assign one of our most knowledgeable and effective executives, Nancy Dantzman, Vice President – Business Development as your lead account executive. Nancy joined eflex in 2002 as the National Sales Director. Nancy is an integral part of the Sales team. She is on the Compliance Committee, HIPAA Team, COBRA Development Team, and lends her expertise to the operational areas. Nancy began her career with Humana, Inc. and worked in various capacities throughout her 15 years with the organization. Nancy moved into the cafeteria third party administration business in 1995, helping to develop the product and procedures for her firm.

Nancy will provide corporate oversight and her expertise in onboarding ETF easily and effectively. Past experience includes multiple successful transactions, including the City of Milwaukee and CUNA Mutual Insurance Society. She has an extensive background in educating employers during her numerous webinars and one-on-one seminars. She understands the industry completely and is driven to provide solutions for any issues that may arise. She will do this and so much more for ETF. Nancy's oversees group-size ranging from 100 to more than 32,000 participants.

Her involvement will begin with contract award; she will be an integral part of determining and planning direction of the implementation structure and process. Though ETF will be assigned a designated client services manager, Nancy will continue to oversee the administration including plan changes and renewals. Contact information for Nancy:

✓608.237.3015 ext. 123 ✓608.206.7229/cell ✓608.237.3829/FAX ✓nancyd@eflexgroup.com

In addition, we are assigning as Nancy's back-up, Chris Dittrich. As Regional Sales Manager, Chris balances the Central region of the United States for eflex. He has been active in the insurance industry since 2006 and has been selling consumer driven products for more than five years. Before joining eflex/eCOBRA in May of 2013, Chris was Regional Sales Director at Optum, a UnitedHealth Group company. Chris has well over five years of experience managing third party programs. Chris oversees

groups ranging in size from 100 to more than 30,000. His primary focus is on clients and superior service; these qualities make Chris a great fit for ETF.

His involvement will be begin with contract award, and the lead throughout the implementation planning and process. Though ETF will be assigned a designated account manager, Chris will continue to oversee the administration including plan changes and renewals. Chris can be reached via:

✓608. 514.5257/Office ✓608. 237.3813/FAX ✓ chris.dittrich@eflexgroup.com

Upon contract award, ETF will also have full access to our executive team consisting of our owners, Tom Jacobs and Ric Joyner, and Micheal Herman, eflex President.

4. ***Information regarding the professional and experience qualifications of all account managers and professional staff who will perform work under the specific contract. This must include a detailed description of their experience with administering the programs your firm is bidding on as a part of this proposal, including size and other characteristics of the plan, responsibilities in the engagement and duration of their involvement. Include details regarding experience transitioning third party administration accounts from one vendor to another for an organization. Also include any experience in establishing new third party administrative program(s) for an organization.***

In addition to Chris and Nancy, support throughout eflex will be provided by the following key staff:

Day-to-Day Administration: Ryan Knautz, Director, Client Services. Ryan has been with eflex for more than 11 years. He holds a BA from the University of Wisconsin-Whitewater, with an emphasis on Human Resources. Ryan's area of expertise is in enrollment, customer service at the group level, claims systems, and operations. He oversees our entire team of Client Service Managers. He also personally administers plans for 154 clients. Though implementation is driven by your sales implementation team, Ryan will be involved from the plan year start date and throughout the duration of the administration. ETF will have a designated client services representative who will report to Ryan. Large group transitions have been coordinated by Ryan throughout his tenure with eflex.

✓608.268.4779/Office ✓608.237.3832/FAX ✓ ryan.knautz@eflexgroup.com

Customer Care: Justin Hinton, Manager, Customer Service. Justin has been with eflex for over three years and has worked in both Customer Care and Group Administration giving him a perspective from both the employee and employer viewpoint. He holds a B.S. from the University of Wisconsin-Whitewater and a M.B.A from Herzing University. Justin has more than 15 years of customer service experience overall which provides him a greater appreciation and understanding of customer needs. Justin and his team will also begin involvement/collaboration with ETF upon award of contract.

Timelines will be shared with his team to ensure proper customer care ensues upon contract award. He and his team will remain involved for the duration of administration. Justin will also assist with service reports to ETF.

✓608.284.5330/Office ✓608.316.7298/FAX ✓Justin.hinton@eflexgroup.com

Claims: Jen Kraucis, Corporate Training Developer. Jen has been with eflex for more than seven years. She holds a Master's of Education degree from the University of Minnesota-Twin Cities and will complete Instructional Design Certification program from UW-Stout in April. Jen has seven years of teaching experience as well as 11 years in customer service. As with Justin, Jen and her team will begin involvement with ETF upon contract award. All timelines will be shared with her team to ensure proper claims processing. Past history tells us we will receive claims data from ETF employees prior to the start date. Jen will coordinate delayed processing and start dates with her team members. The Claims Team will remain involved for the duration of administration. Jen will also assist with service reports to ETF.

✓608.284.5325/Office ✓608.316.7295/FAX ✓jen.kraucis@eflexgroup.com

Compliance: Jamie Johnson, CFCI, Director, Compliance. Jamie has been with eflex/eCOBRA since its inception and has more than 19 years of experience in the TPA Industry. She is a Certified Flexible Compensation Instructor and brings in-depth knowledge and understanding of all facets of employee benefit plans. She stays abreast of current trends and regulatory issues surrounding benefit plan design and administration. Jamie also audits the administration of all company benefit programs. Because of the nature of her expertise and responsibilities, Jamie will be involved with ETF and remain involved throughout administration based on needs. From auditing, 5500 Filing Completion, and all regulatory documents Jamie will keep ETF on top of all this regulatory. She will be available to ETF at any time for consultation, as well as the entire Compliance Team.

✓608.268.4776/Office ✓608.237.3817FAX ✓jamie.johnson@eflexgroup.com

Accounting: Cheri Belz, Manager Finance. Cheri works within our accounting department. She came to eflex more than five years ago. Prior to joining eflex, she was with a national accounting firm for 20 years, working in all facets of accounting including, but not limited to, financial statement audits, payroll benefit taxation and customer service. Cheri has focused her energies for the past few years on accounting processes and leading her team on various improvement projects. Cheri's involvement will begin upon successful completion of the implementation process and the billing cycles start. Her team will be involved throughout the duration of the administration, for all billing purposes and questions.

✓608.237.3008/Office ✓608.237.3828/FAX ✓cheri.belz@eflexgroup.com

5. ***A description of how any turnover on key personnel assigned to this account would be handled. It is the expectation that there would be a Lead Account Manager in charge of all programs assigned at all times, in addition to other key personnel who would be involved with our programs. ETF reserves the right of substitution of personnel listed in this proposal.***

Employee turnover at eflex is very low. We do realize there is the potential for a change in personnel at some point and the impact it would have, we will be sensitive to any replacement concerns ETF expresses. Should a member of the ETF team change we would promptly notify ETF and provide a detailed course of action to ensure no disruption of service. All remaining key staff will continue to work closely with ETF to assist with the transition to a new Lead Account Manager. Nancy Dantzman will have complete oversight and answer any questions ETF might have if a management change arises.

6. ***A description of the vendor's business recovery plan as it relates to the equipment, software, and data files and personnel which would be used in providing the services described in these RFPs. Describe your disaster recovery and alternate work site plans and relationships with key business partners. Describe the results of any disaster recovery testing, including the amount of time needed to transfer operations to an alternate site, if any. To the extent any operations are provided through outside vendors, please describe how you intend to assure quality delivery of these services in the event of a failure. Detail how your backup communications system operates in the event electronic communications become inoperable.***

Our disaster recovery is handled by Evolution 1 (EV1). All other software that is housed on our server farm such as databases, FAX, telephone, etc., is handled by eflex IT staff.

Application databases are replicated to clustered database servers and remote a disaster recovery (DR) site. Files are backed up by using hourly snapshots of the file system. Backups are created daily of system files and databases. On a monthly basis, the DR site is used for development update testing. These updates run parallel to the current production environment to ensure release does not contain a negative impact.

The system databases are clustered and replicated to a DR site. The main production environment is in Virginia, and the DR site is maintained in Minneapolis. All administration systems are monitored and serviced by a world class Network Operations Center, RackSpace.

All office equipment is covered by current service contracts. eflex uses multiple vendors for data and voice services. To minimize client impact in the event of an emergency, we have invested in uninterruptible power supplies which power our servers and customer service department. We have

relays setup to provide constant accessibility with customer-based services. eflex on-site data is backed up hourly and replicated to an offsite datacenter.

Our web server farm is running HP Proliant series. We use an LP gas generator which keeps critical functions maintained in a power outage. We have two large power back-up battery stations similar to the technology of telephone companies, which take raw electricity and pass it through batteries to clean and smooth out any imperfections.

7. ***A statement of the availability and location of staff and other required resources for performing all services and providing deliverables within indicated time frames. Also include a statement as to whether or not the services outlined in these specifications can be performed using only present staff and computer equipment/software/technology.***

We will have local staff at our corporate headquarters in Madison. Our Customer Service staff is available 24/7. We provide a toll-free, Customer Service telephone number (877.933.3539) with a 'live' customer service representative 24/7/365. Our standard customer service hours are 7a.m. to 8p.m. CT, Monday through Friday, and Saturday 8a.m. to 4p.m. We also employ a Madison-based, outside call center to assist with overflow during peak business and when our office is closed. We feel it is important that participants reach a live person when calling our customer service center. Our claims process is done 24/7 with an average of more than 100,000 claims per month with an error rate of less than 1%. Our average processing time over the past four plus years is less than one day. With the addition of ETF we anticipate hiring two additional claims processors to help support these high standards.

In addition to our toll-free customer service lines, we offer a number of ways to get fast answers ***24-hours a day***:

✓Email ✓Live Chat ✓FAQ ✓Online Account Access ✓Mobile App

For Spanish-speaking callers, we employ full-time staff members with fluency-level Spanish speaking capabilities.

Calls to the Customer Service department are routinely documented to allow us to **track call statistics, assign individuals to certain workgroups and skill levels, and to track specific calls for review**. In addition to internal monitoring of recorded calls, we feel that our best measurement tool is the voice of our customer. We proudly feature a Happy Customer testimonial each day on our home page to illustrate our consistent and friendly customer service.

We use a personal touch with our rapid-response call center, live chat and online account review for employers and employees. Operating under the standards of fast answers, fast payments, and web self-service, eflex is creating the highest standards for customer service and innovation in the consumer-driven health market.

Upon contract award, we more than likely hire three additional customer service representatives to help support our current call-center. We have no plans to change operating systems at this time. If we decide to add or upgrade our current system we will notify ETF.

8. ***A list of the public sector and private sector programs included in each RFP for which the firm currently provides administrative services, including employer name, the programs for which services are provided, approximate number of participants for each program and number of years the firm has been retained.***

We consider our full clientele list proprietary, but have provided several references that will gladly speak to you about our services and capabilities. We do serve numerous companies similar to ETF who use the same services as those sought by ETF. One of our larger municipalities—The City of Milwaukee—came on board with eflex in November 2010 (during a midyear takeover) and have been very satisfied with the speed and service they receive from eflex. Other clients served are the Milwaukee Art Museum, International Foundation of Employee Benefits, Guess Jeans, Famous Footwear, Batteries Plus, and more. We will gladly share more about the other clients we serve upon finalist notification.

Service	Clients	Participants
FSA	2,130	75,250
DCA	1,550	13,700
HSA	155	4,675
Transit	320	8,450

9. ***Provide details of any pertinent judgment, criminal conviction, investigation or litigation pending against the firm. During the past five years, has the firm been subject to any litigation alleging breach of contract, fraud, breach of fiduciary duty or other willful or negligent misconduct? ETF reserves the right to reject a response based on this information. Provide certification that the firm has not been in bankruptcy and/or receivership within the last five calendar years.***

We have had zero litigation or legal actions, current or pending, against eflex nor have we been fined for alleged violations of any law, rule, or regulation. In fact, in our 14+ years in business, we have never been faced with a lawsuit. As a privately-held company, we do not typically share our financial statements for public disclosure. Upon becoming a finalist, we are open to sharing our financial model, as well as providing banking references. We are also willing to set up a call with our CFO, if requested by the City. Rest assured eflex is a financially stable organization. We have shown natural growth of more than 20% per year since our inception in 2000—despite a struggling economy. Our firm was initially funded in 2000 by AEGON Insurance, the fourth largest insurer in the world. We have long since retired

the AEGON debt and hold no other significant debt. We will attest that all essential information is filed with the Office of the Commissioner of Insurance (OCI) in Wisconsin for licensing.

10. ***The address, telephone number, name and title of person(s) responsible for the administration of the employee programs for at least three major public employee third party administrative benefit programs for which the proposing firm has consulted within the last three years. Include in the response the number of participants at each public employer. Although these firms shall serve as the primary references for purposes of this RFP, the Board specifically reserves the right to contact any of the listed systems for information about the firm's performance under past and present contracts.***

Client Name	City of Milwaukee
Address	200 East Well Street, Room 706, Milwaukee WI 53202
Contact and Title	Mike Brady / Employee Benefits Director
Telephone	414.286.2317
Email	mbrady@milwaukee.gov
Participants	2,176
Client Name	CUNA Mutual Insurance Society
Address	5910 Mineral Point Road, Madison, WI 53705
Contact and Title	Steven Kalscheur, Benefits Manager
Telephone	608.231.7267
Email	Steven.kalscheur@cunamutual.com
Participants	1,595
Client Name	Southern Wine of America, Inc.
Address	2400 SW 145th Avenue, Suite 250, Miramar, FL 33027
Contact and Title	Michelle Toney, Benefits Manager
Telephone	954.252.7915
Email	mtoney@southernwine.com
Participants	1,929

2.2 Standards for Lead Account Manager

1. ***Minimum of five (5) years of experience managing third party administrative employee benefit programs. Include the number of participants managed during this experience. Include details, by program area, of this experience including length of time in this role with your firm.***
2. ***Excellent customer service and client relationship management skills. Include at least two specific examples that demonstrate these skills.***
3. ***Ability to solve problems, understand and effectively resolve any financial matters. Include at least two specific examples that demonstrate these skills.***
4. ***Attention to detail and follow up on any unresolved issues.***
5. ***Comprehensive understanding of data and funding flows and related information systems used.***
6. ***Meets deadlines.***

Experience

When Nancy began her career at eflex, we had 730 employers. Her contribution to the growth has been extensive. eflex now services nearly 4,700, group sizes range from two to more than 32,000 participants. She has successfully coordinated implementation for eflex/eCOBRA product lines; including employers that have multiple lines of business.

Superior Skills

Her customer service and client relationship management skills are surpassed by none. Her knowledge and drive to provide services considered to be the best is unending. ***Scenario 1:*** When taking over WNET, a client located in New York, the past TPA allowed Transportation and Parking expenses to become effective the first day of the plan year. Upon further review, it was noted there had been no employee contributions driving the funding of the account, but the employer was pre-funding. When an employee terminated, there was no collection of the pre-funded amounts, leaving WNET with a loss for the benefit. Nancy successfully implemented a mid-year takeover, changing procedures to ensure WNET was made whole at the beginning of each enrollment (both new hire and past enrollments).

Scenario 2: WELD School District, located Colorado, has a Summer Billing program for their teachers. The teacher is responsible for spouse and dependent premium throughout the summer months. In the past, communication had been poor, employees were having their coverage terminated, and it was a difficult time for the District. When Nancy took over their COBRA administration, she assisted the District in implementing additional communication to the teachers involved in Summer Billing program, as well as developed a timeline which provided the onboarding onto the program, not only a smooth transition, but gave the District relief in customer service matters. HAPPY TEACHERS!

Smooth Resolutions

The City of Oshkosh was having difficulty in reconciling their claims payments. Nancy coordinated an audit to ensure claims had been processed properly, in addition to reports for the Finance Division to reconcile monthly.

An EDI Payroll File had failed on the part of our client, Alcott Group, located in New York. Upon review, Nancy discovered the file contained errors due to changes prior to submission within each weekly transfer. These changes, when sent via EDI, will cause file failures. Nancy worked with the client to have an understanding the changes were causing, and again coordinated an audit of the account to ensure proper funding had been made.

Detail Minded

Attention to detail is critical and it is one of Nancy's key sales skills. Due to her tenure with eflex, her understanding of administration and procedures is unparalleled. She has successfully implemented most of our Health Savings Accounts, and is instrumental in education and understanding the regulations. Follow-up is the key to successful resolution, and is imperative to the success of eflex and she will do no less for ETF.

In the know!

Again, due to the number of years Nancy has been with eflex, and in the business overall, she has a full understanding of data, funding, regulations, and how it all relates to all administrative systems. When bringing an HSA to the benefits experience of the employee, education, and ease of understanding the complexities is a must. Nancy brings that education to the table for you, and how the FSA/HSA combination works.

Timeliness

Developing successful timelines, and helping employers adhere to those timelines, is a strength you will recognize and appreciate in Nancy. She has successfully on-boarded numerous large groups with eflex. Her strength is fully understanding the need to adhere to the suggested times, and knowing when additional timing is allowed. She makes it happen – she looks forward to showing these skills to ETF.

2.3 Security and Privacy

Describe the ability of your organization to perform quality checks on any work performed by sub-contractors on returned data. Also describe how your organization will protect respondent confidentiality and comply with HIPAA data security and privacy requirements. Note that the Board and ETF take the security and privacy of member data very seriously. Should a vendor fail to properly protect private information, any cost ETF pays to mitigate the data breach will be subtracted from the total contract price. The vendor is responsible for taking timely action and must absorb the cost of mitigating the damages to affected members. The selected vendor must have a secure electronic method for exchanging files with ETF or agree to use ETF's secured file transfer protocol (FTP) site. The selected vendor will be required to sign ETF's Business Associate Agreement (Appendix G).

We do not subcontract **any** of our services. All administration is handled locally, at our Madison location.

eflex is committed to administering all electronic data in secure standard formats for ETF. Compliance and security are central to our core business practices. We are dedicated to safeguarding sensitive Personal Health Information (PHI) and have implemented strict protocols regarding privacy, security, and transaction standards. These standards address who is authorized to access information, the ability to control access, and to protect information from accidental or intentional disclosure to unauthorized persons, plus standardization of certain payment-related electronic transactions (EDI). We are fully compliant with HIPAA.

All data transactions including file transfers, administrative tasks, and customer portal access are encrypted using industry standard encryption policies. Each time a change in the system has occurred, both the timestamp and user responsible for the change is logged.

As required, we have a dedicated privacy officer, written descriptions in place, and security procedures that are carefully followed and monitored. System access is extremely limited and is available only on an 'as-needed' basis for processing purposes and phone/web inquiries only. On a regular basis, eflex performs a risk analysis to manage, monitor, and identify any potential security breaches.

We are compliance experts. We have a well-established ongoing relationship with both the IRS and U.S. Department of Treasury. Our co-founder Ric Joyner is consulted on a regular basis when it comes to industry regulations. We are also able to communicate directly with top executives at both divisions to obtain clarification on regulations.

In addition, we employ a full-time Compliance Director who oversees all regulations, including HIPAA, and ensures that we are in full compliance. She has been with eflex since our inception in 2000.

2.4 Quality Control

Describe your organization's quality control procedures for keeping complete and accurate records, documenting business processes, checking for errors, and reviewing processes for effectiveness and opportunities to improve. Describe how your quality control processes would be applied to each stage of this project. Describe in detail how quality and data integrity would be maintained during a transition from another vendor or when transitioning to another vendor.

We are constantly looking for ways to increase our service levels and reduce errors with faster, more efficient and more accurate processes throughout our organization. We have implemented Lean Six Sigma evaluation tools along with other service tracking methods to quantify our processes into hard data. This allows us the ability to measure and, more importantly, *prove* our process and service metrics.

Lean Six Sigma

In 2008, eflex began implementing Lean Six Sigma processes throughout all areas of our organization. The program is designed to improve workflow processes and identify and eliminate potential flaws. By implementing and mastering this program, eflex increased service levels, efficiency, and dramatically reduced errors.

By applying our Lean Six Sigma technologies we've succeeded in improving our efficiencies after applying one small change to our Customer Service Department. Please see the table below for specific statistics regarding this improved process.

	*Before change**	*After change***
Call Abandon Rate	7.60%	1.8%
Weekly Call Rollover to off-site CSR call center support	334	4
Call Hold Time	1:06	0:20

**Before - indicates the 3-month period prior to implementation of our proprietary Lean Six process*
***After - indicates time since the process was implemented. All statistics are measured weekly.*

Customer Surveys

With every eflex interaction, whether it is a visit to our website or an email from an eflex employee, clients and participants are invited to complete a short survey regarding their service experience. The survey results are compiled each day and sent out to all eflex employees. This allows eflex employees—at all levels—to view accolades as well as areas of opportunity for improvement. Through the honest feedback from our customers, we are able to keep track of our successes and find solutions to help make our service even faster, even friendlier, and even easier.

Call Tracking

In addition to our Customer Surveys and Lean Six Sigma processes, we also routinely document calls to our Customer Care Department. All calls are recorded and saved using a software engine that tracks call statistics, assigns individuals to certain workgroups and skill levels, and tracks specific calls for review and feedback. The software also enables calls to roll between workgroups for a specified allotment of time.

The implementation project for ETF will receive our highest attention to detail. Each stage of the project will be broken down into a detailed project plan complete with timelines and deliverables. Our implementation service team will include representatives with expertise specific to each stage of the process. Our administration software platform allows for detailed reporting at each stage including enrollment, plan initialization, sending debit cards, and plan funding.

Data integrity during a transition is the most important aspect of the process. Our assigned implementation team will work with EFT and their previous/future administrator to ensure that participant and plan data are transferred with speed and accuracy. Our administration software platform is able to accept and export detailed participant, claims, funding, and other plan data necessary to compete an administrator transition. We are highly experienced with takeover implementations with an extremely high satisfaction rate.

We are a different kind of administrator. We're a better administrator. We are better not only because we are technological leaders who set the standards for others to follow, but because we put customers at the center of all our operations. With this customer focus, we have aligned our operational strategy with business goals and objectives, designed systems to meet customer needs and expectations, and continually manage system and staffing capacity including improvement of performance using Lean Six Sigma (LSS) quality tools. These tools allow us the flexibility to exceed our customer's expectations with proven results.

With these tools, we can provide a cost-effective and worry-free FSA solution with unparalleled efficiency, pinpoint accuracy in all operations, the highest levels of security available, and the best customer service in the industry.

With these tools, we can provide a cost-effective and worry-free FSA solution with unparalleled efficiency, pinpoint accuracy in all operations, the highest levels of security available, and the best customer service in the industry.

Data Exchange

Our process for receiving data files begins with the employer sending eflex a test file. The format and file specifications can all be found in the copy of our Data Integration Guide complete with our file specifications in *Attachment 1*. Once eflex receives the test files, we process those files to ensure all data is captured and uploaded correctly. If there are errors, our EDI Specialist will notify ETF.

Either ETF or the HRIS system ETF uses populate the files per the specifications indicated in our data integration guide. Your assigned sales representative will work closely with you on an EDI timeline to be included on the implementation schedule. We will accept weekly EDI files for new elections, terminations, and status changes.

Once the test file is successfully processed with no errors, we are ready to begin live production. The most important tool to ensure a smooth data implementation is to ensure the group follows our file specifications as stated in our integration guide. When testing is complete, we will need all open enrollment data. For example for a 1-1-2015 effective date, this information would need to be sent to eflex no later than 12-1-2014 to ensure that debit cards reach participants before the plan year start date of 1-1-2015.

We normally receive full files on a weekly basis via our Secure FTP Server. We receive demographics, employment status, enrollment, and payroll data. If there are any discrepancies, we address them with you directly. For files sent to eflex between 8 a.m. and 5 p.m. Monday through Friday, reports are typically available online within 30 minutes of receipt.

3 Third Party Administrative Services Required

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 firm's experience in providing the required services. Your proposal must, at a minimum, maintain the current level of service to participants and to the State. Section 3 Third Party Administrative Services Required applies to both ETE0002 and ETE0003 unless otherwise specified in each subsection. Respond accordingly for the RFPs that your firm is proposing to provide services for as outlined in each RFP. For 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, as well as the needs for the new Health Savings Accounts Program, refer to Section 4.

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.

As a Madison-based company, we understand and appreciate the concerns of our community and the need for superior service at a fair price. We will meet and exceed the program requirements, as well as uphold all ETF processes and procedures.

Our company founders, Madisonians, Tom Jacobs and Ric Joyner, developed eflex and eCOBRA out of their passion for compliance and the unique understanding that benefits administration should be easier. Through staff expertise, web self-service, and quality tools, eflex and the engine behind the passion has come alive to produce a national leader in pre-tax employee benefits resources and COBRA administration.

Our eflex management team and staff of more than 100 local employees have been skillfully selected and trained for efficiency and accuracy. Each staff member shares the same vision and passion…serving the needs of the customer.

3.1 Data System Capabilities

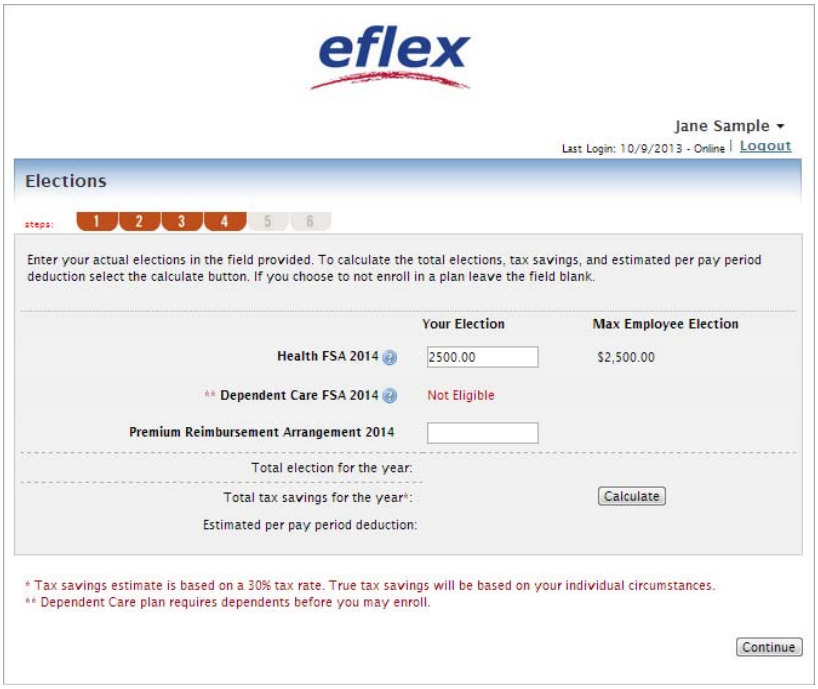
3.1.1 Information Technology (IT) Infrastructure

Provide detailed information about the hardware and software that will be used to administer all 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:

At eflex, we use the Evolution1 (EV1) claims system which is a SaaS (web- based) application. EV1 is a leader in the third-party processing market. Some of the largest providers of TPA services are using EV1. At eflex, we've been an EV1 partner since 2006. EV1 is also a very simplified website where submitting claims is a joy and not a headache for participants.

1. Enrollment processing.

We make enrollment easy. When it's time to enroll, participants simply login to their eflex account (each participant will have a secure account) and follow the intuitive prompts. The entire online enrollment process takes five to 10 minutes. When it's complete, participants may review their Enrollment Verification and Election Summary.



We also support spreadsheet enrollment, EDI feed, and paper enrollment (additional fees may apply for paper enrollments). Upon plan initialization, we will work with ETFthe City to determine the best enrollment concept for the eligible employees.

2. Payroll (contribution) processing.

Payroll processing for ETF is designed to manage employee payroll changes including new hires/terminations/status changes. Payroll processing is through the means that best suits ETF. Files may be submitted via EDI, printed and completed then scanned, emailed, or sent via FAX. Based on the method used, we will verify receipt of data. For example, if an EDI file is received, a discrepancy report

will be created to compare current contribution data vs information received in the file. A discrepancy might be when payroll information has been received for a participant, but no enrollment data received to date. All data must be verified for accuracy by the client services manager and ETF.

3. Reimbursement/claims administration.

Claims reimbursement are handled either with electronic fund transfers/direct deposit or via check to the participants home address when the claim is adjudicated. We have a claims paying *factory* based on three levels. The highest level, Level III Claims processors, is the staff with the longest tenure, most knowledge, and more experience. Level III is designed to "triage" claims coming through eflex FAX, email, or mail. Level III pushes easy-to-resolve claims to our Level I processors. Level IIIs review claims and sort them based on complexity. Level II claims are those that require more research and follow-up, e.g. missing signatures, documents, pages to a FAX, etc. Level II claims are the most simplistic, a completed, signed claim form with proper substantiation attached.

We review each claim submitted by the employee and determine whether multiple claims appear on one claim form. We "line item" each claim entry, for example, in online claim processing, the employee is required to submit one claim per claim form into a "basket of claims" (see www.eflex.com/demo) for final submission. Reviewing the claim and requiring one claim per online submission creates a duplicate claim quality check. By having our claims processors enter the claim versus lumping all drugs or co-pays together, we catch duplicate claims.

We measure the speed and quality of all Claims Processors using our proprietary Lean Six Sigma methods which we will be happy to demonstrate for ETF upon becoming a finalist. For March 2014, our overall claims accuracy rate was 99.88%. Industry-wide the statistics are 15-25% error rate among flex TPAs; ours was ***under 1%.*** We don't talk about service, we prove it. In fact, we post our service metrics daily on our website at eflexgroup.com. We challenge you to find another TPA that outperforms us.

4. Bank account reconciliation.

We include secure 24/7 access for employers to several comprehensive on-demand reports, including: account balance, account funding, account statement, bank reconciliation, billing, claims history, claims reimbursement, debit card funding, enrollment, payment history, payroll deduction, and reimbursement detail.

Claims-Based funding is available to ETF. With this option, ETF holds the funds and eflex pays out monies based on actual claims. Upon completion of claims processing, ETF will be notified of the total amount of claims paid through a summary report sent via email. Weekly, eflex will EFT the amount on the claims report from ETF's designated bank account. With claims-based funding there is always a zero balance on the account.

5. Administrative Fee billing

We use Microsoft Dynamics Great Plains software for our administrative billing. Invoices for plan fees are sent around the first of the month via email. Funds for payment are drawn 7-10 days later via electronic funds transfer (EFT). eflex does not require employers to set up separate banking arrangements for FSA funding. It's up to the each employer to choose which accounts eflex will pull funds from. ETF can reconcile via our bank reconciliation report at their convenience – 24/7/365.

3.1.2. Account Management and Tools

1. Describe how participants are ensured 24/7 online access to account information and educational material.

The eflex website is monitored 24/7/365 and is very stable. We are pleased to report monthly uptime did not fall below 99.0% in 2013, excluding downtime for planned and routine maintenance.

If there is ever a time that online access was not available, we still maintain a personal touch with our rapid-response call center, and live chat capabilities for employers and employees. By providing toll-free, Customer Service telephone number (877-933-3539) with a 'live' customer service representative 24/7/365, we would, upon notification of an outage, be able to address any unexpected outages as quickly as possible.

Participants have a variety of ways to connect with us 24/7 in addition to our toll-free customer service lines; we offer a number of ways to get fast answers ***24-hours a day***:

- Email
- Live Chat
- Online Account Access
- Mobile App
- Twitter
- Facebook
- Interactive Voice Recognition (IVR)

In addition to the numerous website options, we added more technology to better serve our on-the-go callers with an Interactive Voice Response (IVR) system. With the addition of IVR services, consumers can check their balance, claim status, card status, denied claims, outstanding documentation, and claim repayments. If at any time during the call they wish to opt out, we still have immediate service available as outlined above.

2. Describe any additional account management services available (include any associated fees in Appendix F – Cost Proposal)

In addition to the services requested by ETF we specialize in Health Reimbursement Arrangements, Premium Only Plans, COBRA Administration, Defined Contribution, plus Enrollment and Eligibility solutions through eflexConnect.

We would be happy to discuss all of these services with ETF during our finalist presentation. Please refer to our cost proposal for a full disclosure of our administrative fees for these optional services.

3. Describe abilities employers have to perform the following:

A. Update employee addresses and other personal information

Absolutely! ETF has multiple ways to notify us of changes. An EDI File may be sent containing information, or you can send via scanned/email or fax. Whichever is easiest for you! Sometime in 2014, we are expecting an enhancement which will allow ETF to make changes directly to your account.

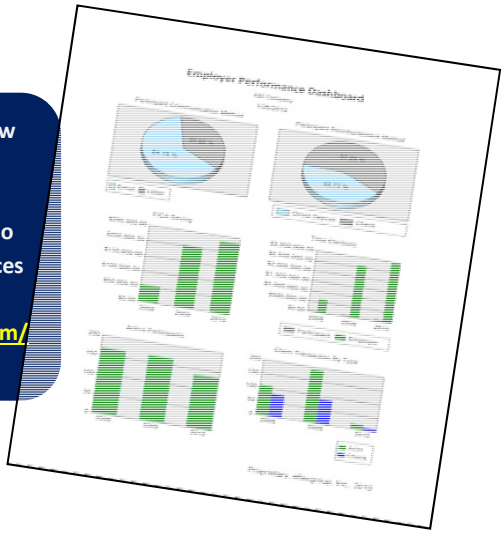
B. View consolidated accounts

Both the employer and employee will see consolidated accounts when viewing. For example, if an employee has both an HSA and LPFSA (Limited Purpose FSA), when logging in, they will see both accounts. Or, an FSA and Dependent Care will be on one view. The employer will have online report access, which will again show multiple accounts under one report.

Our standard, online reporting suite—available to all clients—features 16 key employer reports that can be accessed through our secure portal at eflexgroup.com. These reports, included in our standard fees, are available on-demand **24/7/365** and include:

- Account balance
- Debit card funding
- Enrollment Report
- Payment history
- Payroll deduction
- Billing
- Claims reimbursement
- Account funding
- Account statement
- Bank reconciliation
- Claims history
- Reimbursement detail

You can preview our standard reports along with a full demo of online services by visiting http://eflex.com/demo.



One of our most popular proprietary reports is our **Employer Performance Dashboard** (*example at right*) that highlights participation levels, "green" efficiencies such as Direct Deposit and email reporting, and FICA savings statistics. For samples of the reports, please check out our employer and employee portal demo site, it is located at www.eflex.com/demo. *Attachment 2* provides a sample of the data captured in our HSA Account Management Report.

C. View and track individual participant contribution obligations and fulfillment of those obligations

We include several reporting options that include being able to view and track individual contributions through several of our reports – 24/7/365, when it is convenient to you. As outlined immediately above in ***B. View consolidated accounts*** our standard, online reporting suite —includes 16 key employer reports that can be accessed through our secure portal at eflexgroup.com – on-demand 24/7/365!

D. Generate reports, include details about the ability to run aggregated data such as:

I. How many current participants participating in each program, current and in the past

II. Total contributions, current and in the past

III. Detail other information available on employer generated reports

Yes, as outlined immediately above in ***B. View consolidated accounts*** our standard, online reporting suite features 16 key employer reports that can be accessed through our secure portal to generate a variety of helpful reports including details listed above.

E. Find answers to common participant questions

We provide a toll-free, Customer Service telephone number (877-933-3539) with a 'live' customer service representative 24/7/365. Our standard customer service hours are 7a.m. to 8p.m. CT, Monday through Friday, and Saturday 8a.m. to 4p.m. We also employ a Madison-based, outside call center to assist with overflow during peak business and when our office is closed. We feel it is important that employers and participants reach a live person when calling our customer service center.

In addition to our toll-free customer service lines, we offer a number of ways to get fast answers ***24-hours a day***:

✓Email ✓Live Chat ✓Videos ✓FAQ ✓Online Account Access ✓Mobile App

Our online tools include educational videos

For Spanish-speaking callers, we employ full-time staff members with fluency-level Spanish speaking capabilities.

4. Describe abilities participants have to perform the following:

A. Check balance and personal information

ETF participants will enjoy easy online services 24/7/365. View your secure account online, review claims history, check balances, and submit claims at the click of a mouse. And, with our free mobile app, participants can manage their accounts on the go any time. They can even file claims and upload receipts using the camera on their phones!

In addition, participants can also get up-to-date account information any time from their iPhone, iPad, or Android phone. Just visit the Apple iTunes App Store or the Android Marketplace and search "eflex Benefits" to **download our free Mobile App.**

We added more technology to better serve our on-the-go callers with an Interactive Voice Response (IVR) system. With the addition of IVR services, consumers can check their balance, claim status, card status, denied claims, outstanding documentation, and claim repayments and more.

B. Submit medical and dependent care claims and receipts online

Participants may submit manual claims one of **seven ways**:

- **Online** via our secure web form at www.eflexgroup.com (requires account login)
- **Email** via secure ZixMail
- **FAX** via our secure FAX system
- **Postal Mail**
- **Mobile Application** for Apple and Android devices
- **Point-of-purchase** using our free Debit card
- **Pay-the-Provider** through any of our claim submission formats

For recurring claims - Dependent Care and Orthodontia claims may be submitted once, each plan year. A claim form, along with substantiation are submitted, instructing eflex to process claims either monthly or each pay period, based on the employees payment plan.

C. Review lists of eligible expenses
D. Use tools and calculators
E. Get answers to common questions

For **Participants**, our website provides:

- Secure login to flex account (access balances, account activity, claims status/history, and more)
- Downloadable Forms
- Educational Tools and Information
- Tax Savings Calculators
- Planning Worksheets
- Online Enrollment Kits
- Regulatory Updates and Videos
- FAQ
- Direction on Ways to Spend Flex Dollars
- Live Chat and email contact
- Mobil app
- Pay the Provider

ETF and participants will enjoy easy online services 24/7/365. View your secure account online, review claims history, check balances, and submit claims at the click of a mouse. And, with our free mobile app, participants can manage their accounts on the go any time. They can even file claims and upload receipts using the camera on their phones!

F. Order additional debit cards

We offer debit cards as part of our standard service, so there are no additional administrative fees charged to the participant**.** Initially, each employee will receive two debit cards pre-loaded with the indicated election amount. As an added service to our customers, we offer additional cards for family members and replacement cards (that have been lost or stolen) at **no additional charge**. The website provides a form, Additional Card Request, which may be completed and submitted directly to eflex.

G. View online tax documents and monthly statements

Tax documents and statements are mailed directly to the employees' home. If copies are needed, they are available on the website.

H. Make/change contribution elections online

Employees may make HSA distributions online. These include payments sent to either the employee or provider; as well as recurring distributions. Contributions done outside of payroll may be submitted directly to eflex along with a contribution form. Changes must be made through ETF for both HSA and FSA.

I. Report a qualifying event online

At this time, online qualifying event notices are not available. However, we are anticipating an enhancement in 2014 which will allow ETF to report an event, new hire and termination via their online employer portal.

5. ETE0003 only: Describe abilities employers have to perform aggregate HSA balances (detail ability to retrieve data on new versus rollover balances), current and in the past

ETF will have the ability to view aggregate data through our HSA Account Management Report. This report shares detailed data including cash balances, investment balances, transfers, contributions, distributions, YTD information and current tax year information. Please see the sample in *Attachment 2*.

6. ***ETE0002 only:* Describe abilities participants have to perform the following:**

   A. ***Make a one-time or recurring contribution, current or prior year, to their HSA***

   B. ***Select automatic transfers to investments***

Employees may make contributions to their accounts through payroll or directly to eflex. If a one-time payroll contribution is made, ETF will notify eflex as such. If recurring contributions are made, typically it is via payroll. The employee has the option to change their HSA contribution at any time without an eligible status change, provided ETF allows. When a contribution is made for the prior year (allowed up to April 15 of the following year), the employee must submit directly to eflex along with a contribution form, noting the contribution was for the prior year.

Each employee will have the ability to select a cash threshold. Once the cash threshold is met, funds will automatically transfer to the investment account. The employee may manage their investments on the employee online portal. If at any time the employee wishes to use the investment funds, we request 2-3 days for a funds transfer.

3.1.3 Record-keeping and Accounting Services Experience

1. ***Provide information about your firm'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, virtual private network, 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.***

At eflex, we accept data from multiple vendors using different file layouts and transmission methods. During setup, an integration process is started for each file format, frequency, and transmission type. Our experience in this area is vast. eflex currently administers many municipalities and school districts which require handling of multiple payroll cycles and in different formats. Another complex distribution channel we use includes payroll providers and HR processing firms. These firms have multiple payroll cycles, multiple formats from a myriad of companies. Employee size ranges from 10,000 employees to well over 35,000.

Based on the ability of ETF, payroll may be reported through an EDI format, encrypted email and/or paper. For example, the City of Milwaukee uses both EDI and spreadsheet formats due to different banking arrangements within departments. We are willing to work with ETF to find the most efficient method of payroll processing.

If awarded the contract, Shad Aumann, our Chief Information Officer, will oversee all of the information technology systems functions. Shad has more than 15 years of experience and holds a BS and MS in Computer Science and an MBA in Strategic Management. Shad oversees all areas of technology including network infrastructure and in-house development. He is committed to bringing quality to customers by using technology to streamline business processes.

ETF is starting a project to upgrade its IT systems for public employee benefits information and processing. This system will be the system of record for participant demographic and benefit information. The vendor will be required to interface to and from employer Human Resources systems used at the different reporting agencies within the State of Wisconsin (PeopleSoft, etc.) through standardized methods and schedules. Provide a detailed explanation of how you have managed the transfer of enrollment and claims data between your own system and those of your clients. Please include method of transfer and security protocols followed.

As outlined above, we have a long and successful history of data exchange and payroll vendor relationships. Any system upgrade ETF facilitates shouldn't impact our abilities to provide the same superior service we offer to ETF today. We would be pleased to provide any support and assistance in the upgrade process as appropriate. We will work diligently to ensure disruption is minimal, if any. Regardless of which agency is using which payroll vendor, we are able to receive information by "division." Each location within the State would be assigned a division which enables us to accept information accordingly. Again, this is a process we currently do today for the City of Milwaukee, as well as most of our PEOs (Professional Employment Organizations).

The State of Wisconsin's Department of Administration Central Payroll recently launched a multi-year project to upgrade its current payroll system. Other payroll reporting agencies have upgraded their systems in the past few years. The vendor will be required to participate in the preparation and testing of files as part of the project to implement a new payroll system. Provide a detailed explanation of how you have managed payroll information with multiple clients while they went through an enterprise resource planning (ERP/payroll system conversion.

As outlined above, based on our vast experience working on various systems following separate client protocols, we don't anticipate any obstacles in implementing and transferring payroll data to eflex from ETF and your current vendor/s. CUNA Mutual had a payroll system for one month, and then changed. We ran duel testing so both systems were EDI ready throughout the implementation. It is important to

test duel systems and avoid delays when possible. Knowing dual testing may not always be the case, we will work with ETF based on payroll vendor changes.

Each State agency is considered a separate employer and it is commonplace for employees to transfer employment between agencies. Currently, flexible spending elections and commuter benefits orders are expected to transfer seamlessly when an employee transfers. HSA deductions will also be expected to transfer seamlessly. Provide a detailed description of how similar transfer situations have been handled with current or former clients.

We have several employers that operate under these same principles, we are currently providing seamless service to them and foresee no complications with providing the same high standards of service ETF. A completed change of status form would be needed to move the employee from one agency to another. The employees view would be seamless.

ETE0002 only: Discrepancy Reports must be provided to the various payroll processing centers timely to notify them of any accounts that are not on track to meet the individual's annual elections amounts. Please describe in detail how contribution discrepancies will be monitored, resolved with the payroll processing centers, and the status reported to the ETF program manager.

Discrepancy Reports would be reviewed each pay period. Your Client Services Manager would send the report to ETF for verification of errors. Each agency would return the report for corrections to be made. Based on errors found, we have had clients resubmit a payroll report due to a system error. A new discrepancy report would then be viewed. For example, recently we implemented FSA EDI for Southern Wine of America, located in Miami. The discrepancy report showed over 352 changes. Rather than manual make these changes, a new EDI file was sent, a second discrepancy report was created, and the errors were minimal. These reports are in excel, and can be sorted to submit to each division if that is the preference.

ETE0003 only: Describe your practice for issuing tax-reporting forms to HSA account holders (if there is an associated cost, include in Appendix F).

All tax forms will be distributed to participants for tax filing purposes. These forms will also be available to the participant through their secure, online account. No additional fees apply.

ETE0003 only: Describe and provide examples of documents employers will need to sign to participate in the HSA for purposes of pre-tax contributions.

Please refer to *Attachment 3* for our HSA materials.

***ETE0003 only:* Describe your services available for testing comparable contributions for comparable participating employees under IRC Section 4980G and applicable regulations.**

If the HSA contributions are pre-taxed through the Section 125, the comparability rules will not apply. However, the Section 125 Non-Discrimination Testing will. We will provide you with testing, at no additional charge. If for any reason any of the tests fail, we will guide you to "back" into the program by decreasing contributions. Our testing is completed early in the plan year to assist ETF in necessary payroll changes. If for some reason there is a large increase or decrease in participation, testing can be re-run throughout the plan year. We are known throughout the industry as compliance experts. ETF can feel comfortable we will assist in any way necessary to complete the discrimination testing and pass the testing.

3.1.4 Additional IT infrastructure

Identify and explain if it will be necessary for your firm to purchase additional computer/data processing resources in order to fulfill the terms of your proposal.

If needed, we will purchase new hardware as it pertains to additional staffing. We balance the addition of new business with the ability to handle that business. Our current IT infrastructure is more than adequate to handle the ETF account. Our software vendor, Evolution 1 (EV1) is infinitely scalable. As indicated, we may need to hire additional staff. However, our best and most experienced staff will be allocated to the ETF program.

3.1.5 Data Security

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 firm's systems and internal controls that are in place to reduce loss that may occur through fraud, negligence, incompetence, or system errors.

We take great pride in the care of our customers and have established a trusted, trained, and educated staff capable of handling any challenges and risks that they may face. We are extremely selective in our hiring process and require employees to sign confidentiality statements as a term of hire. As a precautionary measure, we maintain E&O Insurance to protect our clients from any fraudulent or dishonest acts that may occur. In our more than 14 years of business, we have never encountered a problem in this area. eflex has a $1,000,000 bond for liability.

eflex takes confidentiality very seriously. The Claims Administrator can only access information necessary to process claims with a secure log-in and password. Claims and personal information are stored in a secure, electronic environment in our mainframe system. It is not accessible remotely and cannot be loaded onto a laptop, CD, or other portable device.

During business hours all guests are greeted in the reception area, and escorted to final destinations. During non-business hours access is restricted to RFID which logs all employee access.

All data transactions including file transfers, administrative tasks, and customer portal access are encrypted using industry standard encryption policies. Each time a change in the system has occurred, both the timestamp and user responsible for the change is logged.

3.1.6 System Back-up Procedures

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

Our disaster recovery is handled by Evolution 1 (EV1). All other software that is housed on our server farm such as databases, FAX, telephone, etc., is handled by eflex IT staff.

Application databases are replicated to clustered database servers and remote a disaster recovery (DR) site. Files are backed up by using hourly snapshots of the file system. Backups are created daily of system files and databases. On a monthly basis, the DR site is used for development update testing. These updates run parallel to the current production environment to ensure release does not contain a negative impact.

The system databases are clustered and replicated to a DR site. The main production environment is in Virginia, and the DR site is maintained in Minneapolis. All administration systems are monitored and serviced by a world class Network Operations Center, RackSpace.

All office equipment is covered by current service contracts. eflex uses multiple vendors for data and voice services. To minimize client impact in the event of an emergency, we have invested in uninterruptible power supplies which power our servers and customer service department. We have relays setup to provide constant accessibility with customer-based services. eflex on-site data is backed up hourly and replicated to an offsite datacenter.

Our web server farm is running HP Proliant series. We use an LP gas generator which keeps critical functions maintained in a power outage. We have two large power back-up battery stations similar to the technology of telephone companies, which take raw electricity and pass it through batteries to clean and smooth out any imperfections.

3.1.7 Business Recovery Plan

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 these RFPs. Include contingency plans for continuation of critical business functions during an emergency. Also include whether simulation testing is performed and how often, including the results of the last simulation if applicable.

The system databases are clustered and replicated to a disaster recovery (DR) site. The main production environment is in Virginia, and the DR site is maintained in Minneapolis. All administration systems are monitored and serviced by a world class Network Operations Center, RackSpace.

All office equipment is covered by current service contracts with Pro Support including next day service and parts. eflex uses multiple vendors for data and voice services. To minimize client impact during the event of an emergency, we have invested in uninterruptible power supplies which power out servers and our customer service department. We have relays setup to provide constant accessibility with customer based services.

3.1.8 Sub-contracted Data Processing

If any proposed or current data processing system or any of its parts used for the administration of either RFP is not owned and/or developed by your firm, please explain what contractual arrangements are planned to be or have been made and with whom.

We do not subcontract any of our services.

3.1.9 User IDs and Passwords

Explain how you will manage participant user identifications (IDs) and passwords. 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/ Telephone Interactive Voice Response (IVR) access problems (password and authorization problems, slow response time, system down-time, etc.)?

Participant user IDs and passwords will be managed by our IT department. The user IDs will be determined by using the first letter of the participant's first name, last name, and the last four digits of his/her social security number. For example, John Smith with an SSN of 123-45-6789 would have an eflex ID of jsmith6789. Each participant will be given a temporary password to log into the account for the first time. After the first sign-on the participants will be prompted to change the password for future use. Our IT department will manage the internet for such issues and will resolve any problems with the systems.

The IVR system is a shared responsibility between our Customer Care Manager and the IT Department. Password and authorization issues would be handled by the Customer Care Team, while the hardware is managed both by the CC Manager and the IT Department. To date, we have not had any problems with our IVR system.

3.2 Claims Processing, Banking Services and Reimbursement

3.2.1 Incomplete/Missing Information

Describe how you handle the following and provide samples of participant communication for each as applicable:

For samples of the following we invite you to check out our employer and employee portal demo site, it is located at www.eflex.com/demo. Our home page is www.eflexgroup.com. Also refer to *Attachment 4* for sample communications.

1. ***Incomplete claims (i.e. claims which are not or cannot be processed due to missing information or documentation).***

If complete substantiation is not received along with a signed claim form, the claim will be denied per IRS regulations. A denial letter or email will be sent which will provide a brief description for the denial. Claims may be resubmitted with the proper information for reprocessing.

2. ***Dependent care claims that exceed available funds.***

For dependent care claims that exceed the available funds, we will reimburse up to the maximum amount available, and then reimburse the remaining amount with the future payroll deductions.

3. ***Lost checks.***

For lost checks, we will void or stop payment and reissue a check to the participant's home address 30 days after the check was issued. Our reimbursement checks are void after a 90-day time frame if not deposited or cashed. In this instance, we can reissue payment when notified by the participant. We encourage all participants to sign-up for Direct Deposit, as it is the fastest, easiest, and "greenest" option and results in a faster payment receipt, with less paper waste.

4. Contributions received in error.

Contributions received in error are generally HSAs. Based on each individual circumstance, the error would need to be reviewed. For example, if a contribution was made, and it was later discovered the employee was not eligible to open an HSA, the funds would be returned. Or, if an employee over contributed due to a mid-year termination, an excess contribution form would need to be submitted. ETF can rely on eflex to understand the compliance of when a return may be made or not based on circumstances surrounding the event.

5. Reimbursement claims paid in error.

If a claim is reimbursed in error, we ask the participant to simply write "void" on the check and return it to eflex. We will credit the participant's account for any funds paid out in error. If the payment has already been cashed by the employee, a personal check must be submitted to eflex for the corresponding dollar amount. Once the payment has been received, we will credit the FSA account the appropriate dollar amount. To track potential claims paid in error we perform audits on regular claims each month, not at the group level, but as a sample of the entire claims population. eflex card purchases are in essence audited before payment by the IIAS software. Our claim error rate is less than 1%.

6. Outstanding checks.

Outstanding checks are void after 90-days. We will reissue payment to the participant when notified of the outstanding payment. We strongly encourage direct deposit to ensure participants receive prompt payments.

3.2.2 Online Claims Submission

Provide details of how your firm accommodates online submission of claims (e.g. online submission of reimbursement requests through a secure Web application). Include details of mobile Smartphone application submission, if applicable.

Claims submission may be done through our employee online portal. Simply complete the online claim submission information (name, provider, dollar amount, etc.), and submit! Substantiation may be scanned and submitted along with the claim. The employee can even include mileage if they choose to do so! A confirmation page will be shared with the submission of the claim. Upon receipt, a confirmation email will be sent.

The mobile app usage has more than doubled since our introduction. The employee takes a picture of the claim form and substantiation, and submits. A confirmation email will be sent once the claim is touched by our claims department.

Claims status may be viewed online or through the mobile app.

3.2.3 Claims Processing Services [ETE0002 only]

Describe your experience in providing claims processing services for Section 125, Section 223 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.

Since 2000, eflex has been is a web-based, national third-party administrator (TPA) that specializes in FSAs, HRAs, HSAs, POP, COBRA Administration, Transportation Plans, and Defined Contribution plans, adding Enrollment and Eligibility solutions in 2013.

We've been administering plans since our inception for employers with anywhere from two to more than 50,000 employees. We currently have clients in each of the 50 states. We have local, regional, and national presence as shown below:

Local to Madison	Regional throughout Wisconsin	National across the United States
230	807	4,800 group clients

We process an average of nearly 106,000 claims per month with an error rate of less than 1%. Our average processing time over the past four years has been less than one day with an accuracy rate of more than 99%. Plus, 100% of all claims are processed within two days. We not only measure our service, we post our service metrics on our website daily at eflexgroup.com. We have aligned our

operational strategy with business goals and objectives, designed systems to meet customer needs, and expectations, and continually manage system and staffing capacity including improvement of all performance using our proprietary Lean Six Sigma (LSS) quality tools. These tools allow us the flexibility to exceed our customer's expectations with proven results.

For 2013 we processed the following:

Claim type	Total processed
All claims	1,413,188
FSA	1,102,382
DCA	38,592
Transit/Parking	93,859
HRA	174,443

For recurring claims, our system has the ability to set up a recurring automatic payment after the first claims submission for many transactions such as doctor's or dental office visits, prescription drugs, and more. Participants can submit the initial claim form and have the option to indicate if it is a recurring claim.

However, even if a member does not indicate a purchase as a recurring claim and our system recognizes any subsequent payments that match a previous purchase amount from the same merchant, the payment will be paid automatically.

3.2.4 Claims authorization/rejection criteria [ETE0002 only]

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.

- Auto Substantiation through the Information Identification Approval System (IIAS). Eligible items purchased at a retail store such as a pharmacy, will be auto adjudicated through the IIAS. Such items include non-medicine over-the-counter items like contact lens solution.

- Co-pays in multiples of five may be auto substantiated. We ask the employer to share their co-pay schedule with us so we are able to adjudicate these claims (to include Rx, office visits, emergency room, etc.)

- Recurring claims. When a participant uses the card multiple times for the same merchant and same dollar amount, our system will auto substantiate the claim after the first claim has been substantiated and approved.

- EDI File Feeds. Automatic feeds may be sent directly from the carrier(s) to eflex to substantiate claims after the card has been used. Note: this process takes approximately two months for set up.

Last year, roughly 85% of all eflex debit card transactions were auto-substantiated at point-of purchase. Participants are always amazed at how easy (and paper-free!) it can be to access FSA funds using their eflex card. However we are also able to receive EDI files directly from your carriers to substantiate debit card claims, brining substantiation up to 95% of all debit card claims!

There are times when a claim needs to be substantiated. When a claim is not auto-substantiated, the consumer will receive a Receipt Reminder. Currently we send these out via email, or mail if no email is on file. Reminders are sent immediately for the first request, and 21 days for the second. Upon receipt the claim is approved. If the consumer does not submit documentation after 45 days, the card is deactivated per IRS regulations.

The IRS permits multiple ways to auto substantiation a claim, making the card easier to use.

For non-debit card claims participants must submit—via online, mobile app, email, mail or FAX—a claim form and service receipts that include:

- **Date of Service**
- **Service Description**
- **Amount Charged**

For claims that are denied, either in part of in full, a denial is sent to the employee via email or USPS. The employee is informed of the reason for denial, and asked to resubmit. The online or mobile app also displays denied claims.

With the idea that benefits should be easier, our communication in this process is simple, detailed and friendly. Any communication from eflex would have details on what needs to be done and the available options that can be utilized.

3.2.5 Explanation of Reimbursement [ETE0002 only]

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.

Please see samples of our processing explanations in *Attachment 5.*

3.2.6 Claims Processing Turnaround Time [ETE0002 only]

Describe 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.)

Our average processing time over the past four years has consistently been less than one day. We process an average of 106,000 claims per month with an error rate of less than 1%. We not only measure our services, we post them on our website daily at eflexgroup.com.

On rare occasion, we receive a claim that might take three but no longer than five days. This delay occurs when we receive claims requiring special review. Situations such as a special compliance review

or for an appealed claim might slow the otherwise smooth processing timeframes. All claims are guaranteed to be paid within five business days.

The following details our performance service metrics and 2013 results:

Standard	2013 year-end results
Average speed of answer	30 seconds
Call abandonment rate	2.2%
First-call resolution	96.4%
Average claims processing time	0.6 days
Claims Accuracy	99.9%

Claims Turnaround for Dependent Care

ETF participants will have the freedom to submit just one easy claim for ongoing reimbursements throughout the plan year for Dependent Care. Once the recurring claim is set-up a manual check will be generated on schedule or if they have direct deposit, funds will be released to their account once the funds are available in their FSA account, typically each pay period. ***Please note:*** the claims may only be paid under the Dependent Care account when the funds are available in the account at the time of the claim/scheduled payment. The funds will be released for the balance of the claim (if any) as participant contributes more funds each pay period.

3.2.7 Banking Services [ETE0003 only]

1. ***Describe your HSA banking services or those of the custodian(s) you use. Name the custodian(s) and provide information about your partnership(s) with them. Describe any choices that HSA participants have in choosing a custodian.***

eflex is qualified to collect and disburse HSA funds in collaboration with Healthcare Bank. All HSA deposits are held by Healthcare Bank. Created specifically to meet the Health Savings Account needs of the Third Party Benefit Administrator, Healthcare Bank is backed by the strength and stability of one of the Midwest's largest privately held banks, the $3 billion State Bank & Trust organization (member FDIC), which offers financial services, trust, and investment management to clients across the country. Healthcare Bank processes deposits of funds per activity on our core operating system, and also provides compliance (e.g. OFAC, Patriot Act) and tax reporting services for the HSAs. We have partnered with Healthcare Bank since 2008 and have an integrated system. This is the only custodian available at this time.

2. ***Detail how the HSA fund balance can be accessed by the member and what administrative fees are associated with methods of access.***

Fund balances may be accessed using either the debit card, or a request for disbursement. The disbursement requests may be done through the online employee portal, email, mobile app, fax or mail. When using the online portal, recurring disbursements can be created, or the employee may choose to reimburse either themselves or a provider. There are no disbursement fees to either the employee or ETF.

When the cash balance is depleted, the account will automatically request funds from the investment account. This may take 2-3 days. The cash balance must be the maximum the employee chooses upon enrollment.

3. ***Detail whether or not the HSA accepts rollovers from other HSAs and Medical Spending Accounts. Describe the transfer process if applicable, including delays before funds are available.***

Participants may easily transfer or rollover an existing HSA balance or an Archer Medical Savings Account (MSA) balance. Simply complete and submit the appropriate section on the distribution request form to eflex. Forms can be found at www.eflexgroup.com. Since accounts are individually owned, some account holders may not want to initiate a transfer and/or close their existing HSA accounts. Employees will need to initiate the request to close and transfer their existing HSA balance from their current custodian to eflex.

To avoid taxation, a rollover must be completed within 60 days from the date of constructive receipt. The IRS restricts rollovers to 1 every 12 months.

As with mid-year enrollees in an HSA, an individual must remain eligible for the eflexHSA for a 12-month period beginning with the month in which the rollover is contributed to the eflexHSA. If a participant becomes ineligible for the eflexHSA by no longer having coverage under a qualifying HDHP, the entire amount of the rollover is taxed and is subject to a 20% penalty tax.

3.2.8 Financial Arrangement [ETE0003 only]

1. ***Describe means used to support receipt and allocation of pre-tax contributions for all programs included in this RFP (funds transfer with detail through FTP files or internet; Automatic Clearing House (ACH); other).***

We have strict policies for safeguarding banking information and funds. We utilize electronic funds transfers (EFT) whenever possible to move funds between plan sponsors, eflex, and participants. We have in place debit blockers, positive pay files for the writing of checks, and strict policies regarding internal checks and balances and separation of duties amongst our eflex team members. Our claims payments are auto generated through our secure administration software via NACHA file and check file generation. This process diminishes the opportunity for manual or fraudulent claims payments. We reconcile our accounts regularly and provide employers/plan sponsors detailed information on claim payments and funds collections.

2. ***Describe how you would coordinate with at least eight (8) separate payroll systems. Please detail your experience in coordinating with multiple payroll centers, including the number of employers and payroll systems at one time with current or prior clients.***

As outlined above in section **3.1.3 Record-keeping and Accounting Services Experience**, question 1, we currently accept data from multiple vendors using different file layouts and transmission methods.

Our cast experience in this area ensures that we can administer multiple payroll cycles and in different formats for ETF.

Approximately 18% of our business is with PEOs (Professional Employment Organizations). We can see one or multiple payrolls and payroll systems within a PEO. With this experience, we can assure you multiple payroll systems is not uncommon for us. The key to success is having the employee attached to the correct payroll system. If there is a transfer, a status change notification will need to be communicated to allow us to “move” the employee. Multiple payrolls and systems are part of our everyday world!

3. ***Describe how post-tax HSA contributions are handled. Describe how pre-tax HSA contributions are handled.***

eflex can accept post-tax employer and employee HSA contributions by check. Checks, along with a contribution form, can be mailed to our headquarters in Madison Wisconsin. Upon receipt, the dollars will be credited to the account.

If the employee elects pretax payroll deductions we will collect the contributions each pay period. By doing so, the funds will be available to the employee as quickly as possible. If there is an employer contribution, based on the frequency, we will also collect these and apply to the account.

3.2.9 Debit Card Technology

1. Provide the following information for debit card technology:

We offer debit cards as part of our standard service, so there are no additional administrative fees charged to the participant**.** Initially, each employee will receive two debit cards pre-loaded with the indicated election amount. As an added service to our customers, we offer additional cards for family members and replacement cards (that have been lost or stolen) at **no additional charge**.

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

Our debit cards can be used to pay for all eligible expenses including claims for: deductibles, co-pays, Dependent Care costs, basically all 213(d) expenses, and Transit and Parking expenses.

B. The auto-adjudication options available.

For debit cards, we use two systems to adjudicate claims: 1) Information Identification Approval System (IIAS); and 2) Our software system Evolution1 (EV1). The IIAS approves the item at the point of purchase. The IIAS is in all major pharmacies as well as many larger doctor offices and hospitals. Since the introduction of the IIAS we have seen a significant decrease of needed substantiation as the system identifies where and what items are being purchased**.**

We also enter any co-pay amounts (multiples of five) into our EV1 software system in relation to employer insurance plans. Our software system can then adjudicate a claim if it is a specific co-pay amount we have entered.

Recurring claims may also be auto adjudicated. These would be claims received and substantiated, with an additional submission. For example – for orthodontia - the employee would use the card for an orthodontia payment. Substantiation would be requested, submitted, and applied. The following month, a payment would be made. Our system would recognize the first payment, substantiation, and auto adjudicate the claim.

Though our substantiation rate is 82%, we can increase up to 95%. EDI files submitted by your carriers can be matched up to debit card usage. All claims that have been approved by the carriers will auto substantiate within our system. Remember, our goal is to substantiate as many claims as possible, keeping your employees happy!

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

Please see *Attachment 6* a flowchart for the interaction that occurs with the debit card vendor.

D. *The processes or systems that are subcontracted to a third-party vendor.*

We do not subcontract any of our services.

E. *The controls employed to avoid overpayments and/or payment of ineligible claims.*

We only load the debit card with the participant's elected amounts to avoid any overpayment of claims. If a participant's claim is not adjudicated at the point of purchase, we will notify the participant either by email (if email address is provided) or mail that we need documentation for the claim. If the information is not received, we will send a second request at 15 days, and a final notification after 45 days, advising the participant that we will be deactivating his/her debit card. Once the participant submits the required documentation, via email, mobile app, mail, or FAX, we will reactivate their debit card. As a whole, only about 18% of claims require manual substantiation.

Generally, our debit card will not allow ineligible expenses to go through with our current technology. Through IIAS and merchant category codes, it is unlikely that a transaction will occur for something that is not eligible. If in fact this does occur, our claims processors would see that and send a repayment notice to the participant explaining the scenario and the steps needed to rectify the transaction. In the event that this occurs, rest assured that prompt, courteous and professional communications will make the process to correct the transaction incredibly simple.

F. *The process for recovering overpayments or ineligible claims, including when, how and the nature of communications that are sent to participants on this matter.*

The process for recovering payment for ineligible claims is an email or hard-copy letter sent to the participant's home address requesting the participant return the payment to eflex. If we don't receive repayment, we will be deactivated his/her debit card. Once the participant submits repayment, we will reactivate the debit card. If additional claims have been incurred, these claims may also be submitted and applied toward the repayment. This process often eases the financial burden of a repayment.

G. *The debit card suspension/reinstatement process, including when, how and the nature of communications that are sent to participants on this matter.*

When substantiation is needed to process a claim, eflex will email the participant, if we have a valid email on file, or mail a postcard to the participant's home address. If we receive appropriate substantiation the claim is approved and processed. If not, a second substantiation request is sent 21 days later. After 45 days, we will send another notification stating that the participants debit card will be deactivated. Once we receive either documentation or repayment for ineligible expenses, the card will be reactivated. Participants can still submit manual claims if the card is deactivated. Debit card substantiations have decreased significantly due to the Information Identification Approval System (IIAS) along with copay and recurring adjudication.

H. *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.)*

Attached are our debit card communications pieces that help participants understand how the card works. Debit card terms and conditions are sent along with the pre-loaded debit card and are attached for review.

Merchant notification would be completed at the merchant level. Live Chat has been used by a merchant checking eligibility of family members. It is a useful tool for all.

Please see *Attachment 7* for our enrollment communication pieces. You can also find the materials on our website at www.eflexgroup.com.

I. *Any fees that may be charged directly to the participant and the employer.*

There are no administrative fees charged to the participant. Our monthly administrative fee includes use of the debit card. There are no hidden fees involved. In addition, we will provide additional cards to participants requesting them at no charge.

J. *Any current process improvement or future enhancement being developed for the debit/credit card.*

We continuously evaluate ways to improve our processes and procedures. We do not have any major enhancements or changes being planned at this time. If that changes we will notify ETF to outline any impact this could have.

2. ***Describe how your firm provides for direct deposit of participant reimbursements.***

We highly recommend all participants to sign up for Direct Deposit. Not only is it the fastest, easiest, and most convenient method of reimbursement, it is the most environmentally friendly method as well. Participants can enroll in Direct Deposit at any time and can easily download a copy of our Direct Deposit Request form from our website at www.eflexgroup.com. ***Note:*** there is no additional charge for enrolling in Direct Deposit. We process claims seven days a week, including many holidays. Direct Deposit payments take 2-4 business days to reach a participants account. Forms can be found on our website, and submitted at any time.

3.2.10 Financial Investments [ETE0003 only]

1. ***Detail the current investment options available to HSA participants and the associated rate of returns for the past five years.***

eflex offers an array of investment options that suit several different investment strategies. In addition, our platform offers powerful account information features including:

- Balance by Investment
- Fun Activity Summary
- Pending/Activity History
- Transaction Detail
- Personal Rate of Return
- Fund Performance

Please see the investment information in *Attachment 8.*

2. ***Indicate if additional investment options are currently being planned and the associated implementation timeline.***

HealthcareBank's recommendation is for employers to use our standard investment offering. These funds are monitored by HealthcareBank's Investment Team and aim to provide a reasonable choice of investment options which remains mostly stable over time to avoid fund turnover. If an employer chooses to create a custom investment slate, they would provide HealthcareBank with the list of investment options and we would verify these funds are tradable through our investment trading partner. There are additional fees associated with a customized investment slate. At this time, no additional investment options are slated.

3. ***What is the threshold balance in the account before a participant can invest funds?***

Each participant may choose their own cash threshold if the online HSA enrollment tool is used.

3.3 Enrollment

3.3.1 Policies and Procedures

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.

All eflex Sales Associates will be available for requested onsite enrollment meetings. We believe education is a key component to participation in the plans and provide PowerPoint presentations, show educational videos, and allow time for questions/answers to all participants along with handouts, planning worksheets, and tax-savings calculators. We also have ***LiveChat*** available on our website for additional questions that may arise. Our customer care center is open 24/7/365. We offer a toll-free number: 877.933.3539 or in Madison 608.243.8277 so we're always literally within reach to ETF and participants for questions and guidance.

HSAs are a different product to introduce. When this is a new offering, employee meetings describing contributions, distributions, tax advantages and consequences must be reviewed with participating employees. Education will be key to making this program work.

3.3.2 Timeline for Setting up Open Enrollment

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 2015. (The first paycheck for employees who are paid monthly is January 30, 2015. The cut-off date for check processing is mid-January, 2015. The first paycheck for employees who are paid bi-weekly is January 22, 2015. The cut-off date for check processing is mid-January, 2015.) Indicate what will be done, when, and who will be responsible for each step.

Timeline: FSA and Transit enrollment kits will be emailed to the primary contact for ETF upon approval of the contract with eflex. All forms and educational materials are included in the kit for enrollment. An eflex Sales Associate and Client Services Manager will be assigned specifically to ETF to oversee and assist with the transition, enrollments, education, processing, questions, and deadlines.

The deadline for submittal of January 1, 2015 enrollments will be December 1, 2014. eflex will coordinate and conduct employee educational meetings prior to the December 1 deadline.

Enrollment Accuracy: eflex currently offers secure online enrollment, secure download for spreadsheet enrollment, and paper enrollment. Online enrollment is preferred for Health Savings Accounts. This process allows each individual to select a personalized cash option, as well as beneficiary designation

Secure Internet/Online Enrollment: eflex will supply the online enrollment spreadsheet via email. ETF' contact at each agency will provide a list of eligible employees and choose the timeframe for employees to enroll online. This option requires 14 business days for set up.

Participants will receive our easy to understand enrollment documents which provide instructions on how to enroll online.

EDI Transmission/Enrollment File Feed: Files can be accepted through EDI transmission or enrollment file feed. eflex would need to test both options prior to the December 1, 2014 enrollment date to verify a smooth process.

Spreadsheet Enrollment: ETF agencies enter enrollment data into eflex spreadsheets (Excel format). Then they submit the enrollment via our secure FTP site.

Once enrollments have been completed, payroll and eligibility files will be transmitted. Payroll and eligibility files are requested weekly.

3.3.3 Enrollment Processes

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

eflex enrollment options include:

- Online Enrollment
- Spreadsheet Enrollment
- EDI Transmission or Enrollment File Feed

Online enrollment is included in the PPPM fees. For those electing the HSA, online enrollment allows the cash threshold amount to be set as well as assignment of the beneficiary. If the employee wishes to then enroll in a Limited Purpose FSA, the demographic information will then roll over to that election. A

General Purpose Election may also be made online. Once enrollment is closed, an election report is sent to ETF for payroll purposes.

Paper enrollment is also available. Once enrollments are completed, ETF would populate a spreadsheet and submit to eflex. Hard copies of the HSA applications would need to be submitted to us as well for auditing purposes.

EDI enrollments are also a great option. Upon completion of enrollments, ETF would submit an enrollment file to eflex. The EDI process would become part of our implementation timeline to ensure proper data is submitted. Secured FTP Sites will be used for all file transmissions.

Our enrollment kits contain an enrollment form and direct deposit form along with additional educational information for participants. Once enrollment is received and participants are entered into our system, the Client Services Manager will send an enrollment report to the agencies for review.

Online access

Participants will receive ***Next Step*** document with instructions how to log in to their accounts, file claims online or manually, and how to set up recurring claims. The ***Next Step*** document shows participants how to create an eflex user ID and assigns a temporary password that must be changed when they first log in. They may get assistance using our Live Chat as well.

At eflex, we created our website to allow employees and employers to self-service their account and perform essential functions when it's convenient for them. As stated above, we currently provide employees and employers secure online access to:

- Automated web-based enrollment
- Account balances
- Claim status and history
- Educational materials
- Downloadable forms (e.g., claim forms)
- Claim submission
- Comprehensive reports
- Live chat

Our core competencies are: ***fast answers, fast claims, and web self-service***.

We invite you to check out our employer and employee portal demo site, located at www.eflex.com/demo.

Provide a sample of an open enrollment campaign plan including communications, timeline, and confirmation notice enrolled employees receive. Please include details on the method(s) of delivery available for each type of communication.

To get more employees on board, we've developed an effective Enrollment Kit to promote the plan and encourage participation. These kits are available for download from www.eflexgroup.com in pdf format for easy distribution prior to enrollment. The Enrollment Kit can also be completed online or printed out and returned via scan/email or FAX. Please see *Attachment 7* for our FSA Enrollment Kit.

Additionally, we offer a number of resources to assist in open-enrollment meetings. Our standard options, free of charge, include: webinars, online videos, phone support, and web support to assist in open enrollment meetings.

Please see the timeline under our response to question 3.8.1, it includes enrollments and submission of enrollments.

3.3.4 Enrollment Experiences

Describe your firm's experience in conducting enrollments via the 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. Does your firm routinely seek customer feedback following open enrollment?

We are very experienced and efficient at providing online enrollment; as outlined immediately above we offer the following enrollment options:

- Online Enrollment
- Spreadsheet Enrollment
- EDI Transmission or Enrollment File Feed

The IVR system is not currently being utilized for enrollment by our clients. If eflex is awarded the contract, we will implement IVR enrollment to meet ETF specifications for the start of the plan year.

Online enrollment is a popular option, especially with an HSA. See above. Within the online enrollment, verification of participation in a qualifying high deductible health plan is required. With easy to follow instructions, ETF employees will find online enrollment simple as the enrollment steps are followed.

Once enrollment is received and participants are entered into our system, the Account Administrator will send an enrollment report to the agencies for review.

Our enrollment processes vary from customer to customer. Most large customers process enrollments through the EDI format. A few of our customers using EDI are:

- Doherty Employer Services - 7489 eligibles, 1359enrollments
- CUNA Mutual – 2738 eligibles, 1595 enrollments
- Citco Fund Services USA - 1100 eligibles, 918 enrollments
- City of Milwaukee – 6400 eligibles, 2176 enrollments
- IHS, Inc. – 2500 eligibles, 428 enrollments
- El Camino Hospital – 1738 eligibles, 833 enrollments
- Guess Jeans – 2203 eligibles, 208 enrollments

Our customer opinions are so important to us that we conduct customer satisfaction surveys on a daily basis. We include links to the survey in each eflex employee's email and on our website. Responses are reviewed and followed up on a daily basis. We have not done a specific survey regarding enrollments, but are willing to work with ETF regarding a survey if desired.

eflexConnect

Our commitment to technology and innovation has given us the ability to provide a fully integrated online benefits enrollment platform through our partnership with bswift, a visionary company that works to simplify the administration of healthcare, reduce costs, and empower consumers. We would love to help ETF make enrollment and eligibility worry-free.

With eflexConnect, we're in a unique position to offer services from basic communication to online benefits, administration, and complete benefits outsourcing. Our extensive product line of software and services are provided in one fully integrated system. As the needs of benefits administration evolve, eflexConnect is a system that offers clients the sophistication, services, and technology necessary to improve administrative performance.

***ETE0002 only:* Describe your firm's experience in participants enrolling in the Dependent Care FSA when they meant to enroll in the Medical FSA, or vice versa. Explain what steps have been taken to remedy any erroneous account type enrollments.**

Education is key to help employees understand the different plan's, however you are correct, there are times when an enrollment is incorrectly done. Dependent on the individual circumstances, there may be times when the enrollment is allowed to be changed, such as an employee with no dependents. Typically an eligible status change is required. Because the ETF is the plan administrator, we will work with you regarding requested changes.

3.3.5 Enrollment Security

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

At eflex, we take confidentiality very seriously. A specialized Claims Processor handles all personal information for the assigned group. The Claims Processor can only access the information necessary to process claims with a secure log-in and password. Claims and personal information are stored in a secure, electronic environment in our mainframe system. It is not accessible remotely and cannot be loaded onto a laptop, CD, or other portable device. All paper enrollments and direct deposit forms are shredded upon completion of scanning into our system.

Seamless disaster recovery is made possible by our fully mirrored data center. Maintaining a full-scale backup facility enables us to deliver consistent performance and reliability even in the event of a regional disaster. The IVR Security includes the employee log in using the eflex sign on, as well as security question verification.

3.3.6 Enrollment Site Demonstrations

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

Enrollment instructions are outlined in four easy steps with all of the instructions for enrollment options.

We have demonstration sites for employee and employer portals at www.eflex.com/demo. The demo site will show not only online enrollment, but also the following :

- Employer and Participant Portal
- Sample employer reports
- Sample employee statements
- Sample forms
- Sample online claims submission

You can go directly to the online enrollment at: http://eflex.com/demo/employee/

The IVR system is not currently being utilized for enrollment by our clients. If eflex is awarded the contract, we will implement IVR enrollment to meet ETF specifications for the start of the plan year. But as mentioned earlier we did add IVR technology to better serve our on-the-go callers. The addition of our current IVR services, consumers can check their balance, claim status, card status, denied claims, outstanding documentation, and claim repayments.

3.3.7 Enrollment Verification

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

An enrollment verification will be sent via email to all participants with email addresses on file. If ETF would like confirmations to be mailed, we are happy to work with you to do so. Additional costs apply. Along with the confirmation, participants will receive our ***Next Step*** document with instructions how to login to their accounts, online or paper claim filing instructions, and how to set up recurring claims.

Please see *Attachment 9* for sample enrollment verification statements and the ***Next Steps*** flyer.

3.3.8 Enrollment Representatives Staffing Level

Indicate the proposed number of enrollment representatives that will be utilized to conduct informational sessions throughout Wisconsin during the annual open enrollment period, and as requested by ETF. 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 open enrollment/information sessions.

All eflex Sales Associates, under the direction of the Sales Lead, will be available for onsite enrollment meetings. Knowing the products we sell, all representatives are qualified to respond to most questions. We believe education is a key component to participation in the plans and provide PowerPoint presentations, and FAQ flyers to all participants along with other helpful handouts. We also offer ***LiveChat*** on our website for additional questions. In addition, ETF participants may speak with a live person any time they call, 24/7/365.

Due to the various products, topics may differ throughout the State. Dependent on the location, the product offerings available will be discussed at enrollment meetings. HSA education will be essential to help employees understand the differences (and similarities) between this benefit and the FSA. When using a HSA with a Limited Purpose FSA, and how a stacked debit card works. The same will hold true for those employees using the commuter benefit alongside the FSA and/or HSA.

Our Sales Associates, as well as all staff in Call Center, Claims, and Client Services have specific training on our products and procedures. This cross training qualifies them to provide successful response to enrollment questions. We pride ourselves on the commitment of our employees to eflex and to providing the utmost in education for our clients and customers.

3.3.9 Enrollment Representatives' Qualifications

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.

Corporate Oversight will be provided by Nancy Dantzman, Vice President – Business Development. She will be the primary coordinator of enrollment activities as well as managing the facilitation of any onsite training activities. Nancy will have complete oversight and answer any questions ETF might have before, during, and after implementation. Nancy is an integral part of the Sales team. She is on the Compliance Committee, HIPAA Team, COBRA Development Team, and lends her expertise to all operational areas. Nancy moved into the cafeteria third party administration business in 1995, helping to develop the product and procedures for her firm. Contact information for Nancy:

✓608.237.3015 ext. 123 ✓608.206.7229/cell ✓608.237.3829/FAX ✓nancyd@eflexgroup.com

Additional support will be maintained by Ryan Knautz, Director, Client Services, he will be the primary key service representative for ETF. Ryan has been with eflex for more than 11 years. He holds a BA from the University of Wisconsin-Whitewater, with an emphasis on Human Resources. Ryan's area of expertise is in enrollment, customer service at the group level, claims systems, and operations. He oversees our entire team of Client Service Managers. Ryan is extremely knowledgeable and is often a resource for other areas of the organization. He currently oversees all administrative services for our FSA and HSA divisions.

✓608.268.4779/Office ✓608.237.3832/FAX ✓ ryan.knautz@eflexgroup.com

Nancy and Ryan both work out of our Madison home office located at 2740 Ski Lane, and work together on a daily basis alongside the rest of the corporate office divisions: Call Center, Claims, Finance, Accounting, Marketing, and the Executive Team.

3.3.10 Mid-year Enrollments

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

We process new enrollments as they occur. New enrollments can be submitted directly to the Client Services Manager using EDI, the eflex spreadsheet or by paper enrollment. Once set-up, applicable agencies will receive a new enrollment report for confirmation.

3.3.11 Change In Status Event [ETE0002 only]

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:

1. ***The staff who are responsible for processing the CIS requests.***

The designated Client Services Manager assigned Account Administrator will process CIS requests and confirm the event change with the requestor. Please see *Attachment 9* for a copy of this form. Changes may also be sent via an EDI weekly feed.

2. ***The criteria used to approve or reject a participant's change request.***

eflex administrators strictly adhere to IRS guidelines for CIS requests. If there is a question as to the change request, we have a Compliance Manager on staff for confirmation of the IRS guidelines and regulations for CIS.

3. ***The process used to properly reinstate an employee after a lapse in coverage, following United States Department of Treasury Regulation rules.***

If a former participant again becomes an eligible employee, they may elect to receive benefits by completing the requirements forms. However, if an employee terminates employment and is rehired within 30 days, they must either continue the election in effect prior to termination or elect not to participate.

4. ***The method for calculation of the annual amount for mid-year contribution amount changes or enrollment.***

For a mid-year enrollment, we would take the annual election and divide that amount by the remaining pay periods in the plan year. For a mid-year change, we would look at the new election amount and look at past amounts deducted. We take the previous deductions and subtract them from the new election, then divide it by the number of payroll periods left in the plan year.

5. ***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.***

CIS Request forms are available under the forms section of our website or through our secure participant portal. Upon receipt of a request, the designated Client Services Manager would confirm the change with ETF for payroll purposes. If EDI is used, changes will come directly from ETF.

3.4 Customer Service

3.4.1 Customer Service Philosophy

Describe your firm's philosophy and approach to enabling customer service representatives to respond to questions or problems relating to these RFPs. 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.

Our philosophy and approach to enabling Customer Service Representatives (CSRs) to respond to questions or problems relating to Section 125, Section 132, and Health Savings Account plans is that an investment in initial and ongoing training will give our representatives the knowledge and skill to handle a majority of inquiries. eflex CSRs receive comprehensive initial and ongoing training to handle a variety of issues relating to Section 125 and Section 132 plans. We would apply this same training for the ETF plans as necessary.

The initial training process includes online, one-on-one, and classroom training, and takes a minimum of two weeks from start to completion The first level of training consists of online tutorials that detail customer service and claims procedures. A score of 100% is required on training tests before they are allowed to move on.

Training level two consists of classroom training. During this time, agents in training meet with our Corporate Training Developer, who has Master's in Education, to go over internal and external communication procedures, an in-depth claim processing course, and plan specific details.

Training level three involves one-on-one training with a CSR peer trainer. Peer trainers are only qualified by the Customer Service Manager once they have demonstrated an excellent understanding of customer service procedures and a substantial knowledge of the plans eflex offers.

CSRs have the opportunity to receive extensive ongoing training as well. The entire staff meets for one hour on a weekly basis to discuss new regulations, common issues, and review customer service procedures.

We consider our training materials proprietary but can provide them upon becoming a finalist.

3.4.2 Customer Service Procedures

Describe your firm'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? How are participant inquiries and response times tracked and reported? Please provide a sample.

Our tried and true procedures for responding to inquiries are embedded in our core competencies: fast claims, fast answers, and web self-service. It's part of everything we do. We strive to answer questions in their entirety upon first contact, whether by telephone, email, FAX, or letter.

The first step for the CSR is to determine the participant's needs and assess whether he/she can assist with their inquiry. If the inquiry cannot be answered by the initial CSR, it's either immediately routed to the appropriate party or if no one is available for immediate assistance, a customer case is created. The case tracks all information related to the initial inquiry and ensures a record is kept as the inquiry is researched, resolved, and followed up on. All tracking is done electronically.

Our normal turnaround time for claims received by FAX is one to two business days. For emails that are submitted during business hours, our turnaround time is no longer than one business day. We typically respond to emails submitted during non-business hours on the ensuing business day.

Our average talk time on inbound calls for 2013 was four minutes and three seconds. Written inquiries are processed and/or responded to within one to two business days as well.

Describe how customer service representatives and others working on our account will be trained on the details of our plan documents. Specifically provide details related to how customer service staff are trained on the programs of a new client, including the plan documents and policies. How are updates communicated? What corrective training is provided if needed? Provide detailed answers to these questions.

All customer care representatives are trained to view the software which contains specific plan information such as claims run out, eligibility, etc. If the plan(s) are amended in any way, the software holds the plan specifics for the representative to view. If corrective training is needed, the phone call(s) are reviewed, written communication is reviewed, and proper corrective training action is taken.

3.4.3 Customer Service Experience

For the past year, provide the following:

1. ***The total number of inquiries handled by the Customer Service department.***
2. ***The average hold time.***
3. ***The abandoned call rate.***
4. ***Percent of telephone inquiries resolved during the initial call.***
5. ***Percent of telephone inquiries resolved within 24 hours of initial call.***
6. ***Total number of e-mail inquiries.***
7. ***Average time that e-mail inquiries were answered.***

The following table details the requested performance metric and our 2013 results:

Standard	2013 year-end results
Total number of calls	153,012 calls
Average hold time	30 seconds
Call abandonment rate	2.2%
First-call resolution	96.4%
Percent of telephone inquiries resolved within 24 hours of initial call	Not tracked in this manner 2.2 days*
Total number of email inquiries	Not tracked at this time**
Average email response time	Within 1 business day

**** Average second call turnaround in days***

***** We will work with ETF to establish a mutually agreeable process if preferred***

3.4.4 Customer Service Tracking System

If applicable, provide information about any specialized telephone/computer system used by your Customer Service area to track customer service inquiries. Please provide a list of reporting capabilities from this system(s).

We use the ShoreTel for our telephone system, with it we can track:

- Total number of calls
- Quarter hour call totals for scheduling/coverage
- Average Speed of Answer (ASA)
- Abandon Rate
- Skill based routing
- Service Level (% of calls answered within 30 seconds)
- % of calls handled by IVR
- Average talk time
- First call resolution

We have many other options available and can provide them upon request.

Are calls to customer service recorded? Can the recording be easily pulled when/if there is a customer service concern?

Yes we record all calls; we review the recordings and provide feedback as needed. We can pull calls by time of call, phone number call initiated from, or by the agent who received the call. Should the need arise; we will review the recordings for any calls that ETF requests should there ever be a concern.

3.4.5 Customer Service Documentation and Review

Describe how you routinely document and review customer service inquiries. What percentage of customer service inquiries are reviewed for quality and customer service performance standards?

Calls to the Customer Service department are routinely documented to allow us to **track call statistics, assign individuals to certain workgroups and skill levels, and to track specific calls for review**. The software also enables calls to roll between workgroups for a specified allotment of time. In addition to internal monitoring of recorded calls, we feel that our best measurement tool is the voice of our customer.

We constantly solicit feedback from everyone we interact with, whether by phone or email. We truly listen to the Voice of the Customer (VOC) to ensure that we are providing the best service in the industry. Surveys are shared internally on a daily basis. If a survey comment is made that is negative in nature, a Team Lead will reach out to all surveys who have an identification. Often a clarification of a process can turn the survey around.

The bottom line is that we are experienced and good at what we do. We offer many of the same standard administrative services as other TPAs—online account access and reports, compliance, debit card, education materials, toll-free customer care, etc. The difference is that at eflex**, we have one key focus: unparalleled service to our clients and participants. We offer service and performance levels you rarely find in today's marketplace.** For reliable, trustworthy and worry-free flexible spending administration, turn to eflex.

We typically review .3% of all calls for accuracy, quality, and feedback. We will review specific calls upon request.

3.4.6 Customer Service Staffing Level

Identify 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. Describe whether the same customer service staff answer questions across all program areas. A representative must be geographically located for in-person visits and training for employers and employees in Wisconsin.

Typical trainings could be for new staff at payroll processing centers, new ETF staff, ongoing employer training, employer or employee training on specific hot topics, etc. Identify if you will need to hire additional customer service staff to accommodate the needs of the State program, including count and budget (budget details shall be represented as part of the cost proposal in Appendix F).

Our current staffing levels easily meet the needs of our existing clients. We employ twenty trained full-time Customer Service Representatives (CSR) in our Call Center. Upon contract award, we will likely hire three additional full-time CSRs to provide additional coverage.

Currently, we have 43 telephone lines that are available to our Customer Service area. While we do not provide dedicated lines specific to one client at this time, we would be willing to accommodate the request for an additional fee.

Each CSR is responsible for answering all questions applicable to this proposal. We continually provide updates on new and existing regulations to ensure a consistent and accurate message.

Hiring an additional three CSRs would be necessary to accommodate the ETF plans. Hiring and training would be done four months prior to ETF plan initialization so that eflex is fully prepared to handle the needs of the ETF program. ***With eflex, we're keeping Wisconsin jobs in Wisconsin.***

3.4.7 Formal Complaint Procedures

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 ETF. Include an example of a determination letter that will be provided to a participant explaining the approval or denial of an appeal.

eflex sends the participant a denial letter specifying the IRS rule(s) on why a claim was denied. The explanation contains a statement that the participant may obtain documentation and information relevant to the denial and resubmit the claim for review.

Appeals of claim denials may be made to eflex within 180 days of the original denial. In the appeal, participants may submit additional documents and written comments, and request relevant information and documents pertaining to the original claim denial. We will issue a decision within 120 days, outlining the reason(s) and references to the Plan provisions governing the decision.

If a participant feels that their questions or issues have not been properly addressed to their satisfaction, they can contact our Customer Service Manager either by email or mail. For the fastest resolution, we recommend email contact. The Customer Service Manager will review the concern and assess whether what action is needed, either corrective action or if further review is required. If immediate action can be taken to approve or deny the appeal, a response will arrive within one business day. If further review is required, the participant will be notified within one business day that the appeal is under further review, including an estimated date of resolution. The Manager may also request more details or additional clarification to properly access information available to expedite a course of action.

Staff included in the resolution process may include the Customer Service Manager, the Customer Service Representative involved in the initial inquiry, Account Administrator, Compliance Officer, and if

needed, our President. The documentation used to make a determination will be in the same format as the original appeal, either email or postal mail.

While we do have appeals procedures in place, we experience a minimal number of complaints so few in fact that we have yet to find the need to set up a specialized tracking mechanism for them. If awarded the contract, we will work with ETF to develop a tracking system for appeals and complaints. Please see *Attachment 5* for a sample determination letters.

3.4.8 Customer Satisfaction Survey

The Contract Administrator will be required to conduct an annual customer satisfaction survey (random sample) of program participants. Provide details 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.

Measuring customer satisfaction is an important part of our quality control process. We conduct customer satisfaction surveys through our Customer Care department on a daily basis. After a customer contact, one of our agents sends a case resolution follow up email that includes a link to our customer satisfaction survey. Completed surveys are analyzed by our management team and many are shared with all eflex employees. We truly listen to the Voice of the Customer (VOC) to ensure that we are providing the best service in the industry.

Below are samplings of customer survey comments we've received in March and April:

Heather was amazing; I was extremely frustrated and edgy when I called. Not only did heather disarm me and sympathize, she walked me through the process and gave me her personal extension. Just having her listen was helpful but she went above and beyond to ensure that I felt good when we ended the call. My questions were answered and my needs were met. I also know where to going anything happens to arise in the future. I would love to have someone with Heather's customer service skills work for me.

Kathryn Borzych, Guess, Inc.

She (Karina) was very helpful and courteous, something you don't see very often anymore in customer service!

K. Perez, Tampa General Hospital

Please see *Attachment 11* for a copy of our Customer Satisfaction Survey

3.5 Program Information and Communication

The Contract Administrator may be asked to develop informational bulletins, brochures, or newsletters directed to employers and/or employees. ETF retains approval rights of all material prior to distribution to employers or employees.

We will work with ETF to develop meaningful informational bulletins, brochures, and newsletters upon request and at an additional cost of time and materials. We do offer payroll stuffers, posters, and postcards to promote the plans for open enrollment.

3.5.1 Plan Information Materials

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 online electronic copies of informational materials.***

We will provide informational materials for the enrollment in each program. Enrollment kits will be provided including enrollment forms, claims forms, direct deposit forms, FSA employee brochure, and OTC guidelines. We also offer an employee enrollment video that most groups find beneficial for educating employees.

We will also conduct on-site employee meetings to help employees understand the Plan explain how it can save them money. Once employees realize how much money they can save by using pre-tax dollars for things they're already buying (like daycare and OTC medications), it piques their interest. Plus, when we show them how easy it is to buy those items with the eflex Card, they can't wait to enroll. In fact, participation levels among companies using the eflex debit card have more than doubled.

The bottom line is that our benefits administration is easier to explain, understand, use, and get your money back. Our service philosophy results in greater employee participation, satisfaction, tax savings and FICA savings.

Please see *Attachment 3* for examples of our communications materials.

2. ***Describe your ability to customize communications to the State program. Provide examples beyond just name customization if possible.***

Upon request and at an additional cost of time and materials, we can customize many of the materials included in our enrollment kit. Because our forms are tied to our Lean Six Sigma operational efficiencies, we usually do not customize content for each client. In addition to our wide range of enrollment materials we also have payroll stuffers, posters, and postcards to promote the plans for open enrollment.

We would work with ETF to develop materials to suit your needs.

3. ***Describe your experience in creating and delivering a communication and education plan with a large employer, including the outcomes. Provide an example.***

We are experts in plan takeovers and we can assure you that the transition will be seamless with no disruption of service. We have effectively on-boarded thousands of clients successfully. We use formal project management for each step and phase of the implementation.

To onboard a new plan, we would like a 30-day implementation timeline. If it is a takeover, we would like a 60 day implementation timeline.

We will assign a dedicated account management team to oversee all aspects of the on-boarding process. Furthermore, our Sales Associates, as well as all staff in Customer Care Center, Claims, and Client Services have specific training on our products and procedures. This cross training qualifies them to provide successful educational meetings and support should they need to cover in the event of illness or emergency.

Each eflex department is experienced in the plan set up and implementation phase and we have created a rolling task plan to ensure success.

We assign a dedicated account management team to oversee all aspects of the on-boarding process. Furthermore, our Sales Associates, as well as all staff in Customer Care Center, Claims, and Client Services have specific training on our products and procedures. This cross training qualifies them to provide successful educational meetings and support should they need to cover in the event of illness or emergency. Each eflex department is experienced in the plan set up and implementation phase and we have created a rolling task plan to ensure success.

We will be proactive in communications with you and plan participants to ensure satisfaction. We will work with the current TPA to obtain all necessary data to meet the proposed schedule. We will request

current demographic information, enrollment information, and annual election amounts for each participant. We will, of course, work with ETF to design a comprehensive timeline upon award of the contract.

Because education is vital to high participation, we have created a variety of helpful materials that will promote the plan and encourage employee participation. We offer marketing materials, planning worksheets, enrollment kits, reimbursement instructions, and videos. Our website has an array of educational tools, including our tax savings calculator. To get more employees on board, we've developed an effective Enrollment Kit to promote the plan and encourage participation. These kits are available for download from www.eflexgroup.com in pdf format for easy distribution prior to enrollment. Please see *Attachment 7* to review our Enrollment Kit. We will collaborate with ETF to develop a mutually agreeable on-site enrolment meetings schedule.

4. ***ETE0002 only:* ETF is considering changing from a grace period to the $500 carry forward provision for the ERAs/FSAs for the 2015 plan year. Describe your experience in communicating this rule change with another client's participants and provide a sample piece of written communication.**

We will work with ETF and provide communications regarding any plan change as needed. For example, when an IRS regulation change is imminent, we communicate in a number of ways. For employers, we send timely email blasts with clear communication materials on the changes. If a regulation change affects how an employee participates in a plan, we send participant email blasts and post updates on our various social media outlets. We also create information pathways on our website. Please see *Attachment 12* for our carryover flyer.

5. ***ETE0003 only:* The 2015 plan year is the first opportunity that State employees will have to participate in an employer sponsored HSA along with a high-deductible health plan (HDHP). ETF will require a robust communication and education plan and will look to the Contract Administrator to work closely with ETF to develop and deliver a comprehensive plan to educate prospective and current participants. This communication and education plan, highlighting the benefits of the HSA must be very robust in 2014, ramping up to the start of this new program January 1, 2015. Ongoing communication and education must be provided to participants and potential participants throughout the year for each year of the contract. Describe how you will specifically educate members on the incompatibility of an HSA with a traditional FSA. Describe how you will educate prospective participants on the benefits of an LFSA (vision and dental only).**

We have been administering HSA accounts since their inception in 2004. We will work with ETF to develop comprehensive communication and education plan for the HSA and LFSA benefits. As

mentioned throughout our proposal, our VP of sales Nancy Dantzman has extensive experience with cafeteria third party administration business and is instrumental in developing the product and procedures for eflex. She will personally coordinate and focus her efforts on the needs of ETF to develop and deliver a detailed plan to educate prospective and current participants. We are readily available for on-site training and meetings.

We have many clients currently utilizing both HSA and LFSA accounts. Our administration software platform and debit cards can be configured specifically for this type of account arrangement. This allows us to provide a robust administration suite featuring some really great services, including:

Eflex Stacked Debit Card - HSA and LFSA accounts on a single debit card. We are able to customize the cards to automatically draw from the applicable account based on where the card is being used. For example, the car is smart enough to know when a charge is coming from a dentist or optometrist, and will pull funds from the LFSA account.

Single Sign On – Participants can view all their eflex accounts on the same site with the same login. Both LFSA and HSA account access is available 24/7 though our online consumer portal. HSA participants can configure their investment options through this portal as well.

6. ***ETE0003 only:* Describe the steps you would take in creating and implementing a communication and education plan specific for State employees; be sure to include a timeline. Please include introducing the availability of the HSA and the decision-making tools available to employees.**

Upon contract award, the dedicated Sales Team will work with ETF to help facilitate the successful implementation, enrollment process, and establish employee communication. We will also assign a dedicated Account Manager to handle ongoing administration and service for ETF.

Additionally, we offer a number of resources to assist in open-enrollment meetings. Our standard options, free of charge, include: webinars, online videos, phone support, and web support to assist in open enrollment meetings.

Because education is vital to high participation, we have created a variety of helpful materials that will promote the plan and encourage employee participation. We offer marketing materials, planning worksheets, enrollment kits, reimbursement instructions, and videos. Our website also has an array of educational tools, including our tax savings calculator. To get more employees on board, we've developed an effective Enrollment Kit to promote the plan and encourage participation. These kits are available for download from www.eflexgroup.com in pdf format for easy distribution prior to enrollment. The Enrollment Kit can also be completed online or printed out and returned via scan/email or FAX.

We can be found in the places participants already spend time. Join us on any (or all) of these social networks to get plan tips, news updates, educational videos, money-saving tips, articles, and exclusive content, and more:

twitter.com/eflexgroup | facebook.com/eflexgroup | youtube.com/eflexgroup1

For Participants, our website offers: Secure login to flex account information, downloadable forms, educational tools and information, tax savings calculator, planning worksheets, online enrollment kits and forms, regulatory updates and videos, FAQ, Live Chat and email contact, and mobile app information.

In addition to our 24/7/365 toll-free customer service lines, we offer a number of ways to get fast answers any time:

- Email
- Live Chat
- Online Account Access
- Mobile App
- Twitter
- Facebook
- Interactive Voice Recognition (IVR)

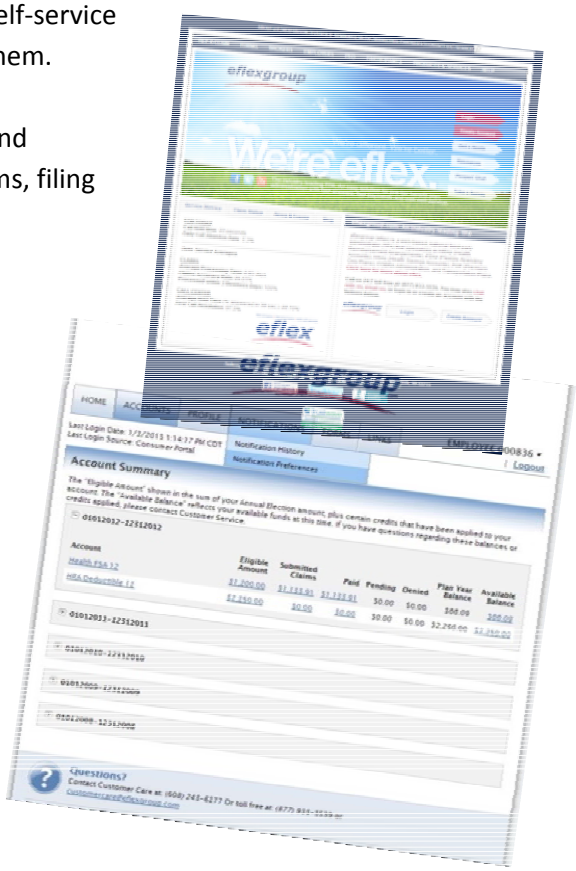
7. ***ETE0003 only: Provide an example of HSA roll-out communications you have provided in the past to other clients, along with sample materials if applicable.***

Please see our sample materials in *Attachment 3*.

3.5.2 Plan Information on Internet Site

1. ***Describe the information that will be available to employees, employers, and ETF on your Internet site. Identify if a site will be developed specifically for the State of Wisconsin plan. Explain how participants' personal account information will 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.***

ETF participants will have access to their account 24/7 by securely logging on to our website at www.eflexgroup.com. Participants are able to view account balances and file claims online with ease. In addition, ETF agencies (employers) and ETF will also have online access to many reports and can perform a number of important employment functions through the Employer portal on our website. At eflex, we created our website to allow employees and employers to self-service their account and perform essential functions when it's convenient for them.



Our company was founded on the pillar of web self-service. Employers and participants can perform a majority of plan functions—downloading forms, filing claims, accessing reports, etc.—directly on our website.

For **Employers**, our website offers:

- Secure login to account portal (to access all reports, reporting capability overview below)
- Automated Online Enrollment
- Access to forms
- Compliance information
- Regulatory updates
- Enrollment Kits for employees
- Renewal Pathway for each subsequent plan year
- Up-to-date service metrics
- Resource for employees

For **Participants**, our website provides:

- Secure login to flex account (to access balances, account activity, claims status/history, and online claim filing)
- Downloadable Forms
- Educational Tools and Information
- Tax Savings Calculators
- Planning Worksheets
- Online Enrollment Kits
- Regulatory Updates and Videos
- FAQ
- Direction on Ways to Spend Flex Dollars
- Live Chat and email contact

Participants can also get up-to-date account information any time from their iPhone, iPad, or Android phone. Just visit the Apple iTunes App Store or the Android Marketplace and search "eflex Benefits" to **download our free Mobile App.**

Our core competencies are***: fast answers, fast claims, and web self-service***. Because we are a web-based TPA, we are constantly reviewing and investing in upgrades to our website as well as our electronic service capabilities.

We have demonstration sites for employee and employer portals at www.eflex.com/demo. The demo site will show:

- Employer and Participant Portal
- Sample employer reports
- Sample employee statements
- Sample forms
- Sample online claims submission

If awarded the contract, we will work with you to develop a private-labeled website, for an additional fee, so that ETF employees may access their eflex information by securely logging on to your website.

2. ***Describe how those without Internet access or are not Internet-capable will be able to access the same level of information and services available to those who are able to easily access the Internet.***

We provide a toll-free, Customer Service telephone number (877.933.3539) with 'live' customer service representatives 24/7/365. Our standard customer service hours are 7a.m. to 8p.m. CT, Monday through Friday, and 8a.m. to 4p.m. Saturday. We employ a Madison-based, outside call center to assist with overflow during peak business and when our office is closed. We feel it is important that participants reach a live person when calling our customer service center.

Our outside call center staff, also located in Madison, Wisconsin, is trained to respond to simple inquiries, such as claims status or account balances. For more detailed account inquiries, call center representatives will forward requests to eflex staff for follow up the following business day.

In addition to our toll-free customer service lines, we offer a number of ways to get fast answers 24-hours a day, for those who do not have an internet option, we have both a mobile app and IVR available.

3. ***Have you added, improved or changed any of your web tools in the last 12 months? If yes, please describe.***

We continuously look for ways to improve our message, this includes our web tools. We include several educational tool and information on our web site that is updated annually to reflect mandates and changes to dollar limits etc.

4. ***Do you have any plans to migrate your online system to a new one in the next five (5) years?***

We have no plans to migrate to a new system planned at this time. We would, of course, notify ETF if any changes are planned.

5. ***ETE0003 only: Do you have an available demo for members considering an HSA prior to the open enrollment period? If so, describe its capabilities to compare out-of-pocket costs (custom to the State HDHP offering) with other available plans, including contributions, co-pays, deductibles, etc.***

Yes we have a comprehensive demo for all participants to view and navigate to learn about our HAS and website capabilities. It is on our portal demo site, located at www.eflex.com/demo. Our consumer portal provides a sitemap that is broken into helpful section headers with additional sub-headings to help participants check out exactly what is of interest to them at their convenience.

3.5.3 Plan Information on IVR

Describe the information that will be available to employees through your IVR system. Identify if a call tree will be developed specifically for the State. Explain how participants can access their personal account information. Provide the evaluation committee with access to a demonstration site that illustrates the capabilities of your IVR system, if available.

With our IVR services, consumers can check their balance, claim status, card status, denied claims, outstanding documentation, and claim repayments. If at any time during the call they wish to opt out, we still have immediate service as outlined below.

We provide a toll-free, Customer Service telephone number (877.933.3539) with 'live' customer service representatives 24/7/365. Our standard customer service hours are 7a.m. to 8p.m. CT, Monday through Friday, and 8a.m. to 4p.m. Saturday. We employ a Madison-based, outside call center to assist with overflow during peak business and when our office is closed. We feel it is important that participants reach a live person when calling our customer service center.

Our outside call center staff, also located in Madison, Wisconsin, is trained to respond to simple inquiries, such as claims status or account balances. For more detailed account inquiries, call center representatives will forward requests to eflex staff for follow up the following business day.

In addition to our toll-free customer service lines, we offer a number of ways to get fast answers 24-hours a day:

- Email
- Live Chat
- Online Account Access
- Mobile App
- Twitter
- Facebook
- Interactive Voice Recognition (IVR)

3.5.4 E-mail Communication

Identify the types of communication that you will send to participants via e-mail. Provide your process for handling e-mail bounce backs.

Email communications include, but are not limited to:

- Claim confirmation
- Claim denial
- Documentation/substantiation requests
- Plan updates
- Regulatory updates
- Notice of direct deposit

If an email is invalid, we will mail claim denial, requests for information, and updates to the home address we have on file.

Describe any challenges you have had previously in e-mailing participants whose work e-mail address is protected by a firewall. How have you addressed these challenges?

Although we have not experienced this particular challenge, our IT Department has procedures set in place should the challenge arise. When a participant's email is protected by a firewall, our IT personnel first verify whether the email address is legitimate to ensure our network safety. After verification, IT then investigates why the email address is blocked, and then takes the correct actions to lift the firewall settings to make sure the participant receives all outgoing messages from eflex.

3.5.5 Privacy Policy

Describe your privacy policy regarding participant e-mail addresses, including whether or not you sell them to third-party vendors for solicitation. Do you share e-mail addresses with any outside organization? If so, describe the purposes in detail and the ability of participants to opt-out.

We respect the privacy of all our customers and never sell, rent, or lend our confidential email lists to any other company for any reason.

We do collect email addresses from participants for communication purposes. We are a green company and we use email as our primary means of communications with participants.

3.6 Services Provided to ETF and Employers

ETF works directly with the Contract Administrator on all administrative matters. The Contract Administrator must provide technical and legal expertise to advise ETF on issues relating to the programs. ETF 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. The reports detailed in Section 3.1.2 must also be available for ETF. Reports must be provided to ETF to ensure effective monitoring of all aspects of the programs. The Contract Administrator is responsible for promptly addressing enrollment and payroll issues raised by the payroll processing centers and agency payroll staff.

3.6.1 Additional Administrative Responsibilities

List any administrative responsibilities that are not included in your cost proposal.

All administrative responsibilities requested have been accounted for in our cost proposal.

3.6.2 State or Federal Regulations

Describe how you will monitor the development of and provide notification, information and advice to ETF concerning State or federal regulations or legislation that may affect the programs.

eflex maintains a well-established ongoing relationship with both the IRS and Treasury Department. Our co-founder Ric Joyner is consulted on a regular basis when it comes to industry regulations. As a result, we receive early notifications of new and changing regulations and guidelines. We are also able to communicate directly with top executives at both divisions to obtain clarification on regulations. We are

then able to notify our clients instantly of changing regulations, often before the official release. We also employ a Human Resources attorney on staff and retain one of the best employee benefits and tax attorneys in the Midwest.

We monitor any development that is occurring both at the state and federal levels when it is in regard to flexible benefits and take action as needed. When we are made aware of changes that are going to occur, eflex is active in developing a strategy so that we are prepared to administer our client's plans and to keep them in compliance. We look forward to sharing this knowledge with ETF.

3.6.3 Legal (including compliance) and Technical Staff

Provide information about the legal and technical staff that will be available to ETF for advice and consultation as needed for program administration.

We take compliance very seriously and take no chances by exposing our clients to questionable practices. We are the company brokers and employers turn to for reliable interpretations and guidance. We have a Human Resources attorney on our staff and also retain one of the best employee benefits and tax attorneys in the Midwest. We will gladly share more information about our commitment to compliance and proprietary best practices, upon request.

In addition, we employ a full-time Compliance Director who oversees all regulations and ensures that we properly administer our client's plans and keep them in full compliance. Our Compliance Director has been with eflex since its inception in 2000. If awarded the contract, ETF will have direct contact with our Compliance Director as a resource for questions and regulatory interpretations.

ETF will also have direct access to our company founders, Tom Jacobs and Ric Joyner. They have been trendsetters in the industry and continue to provide great insight and vision across the nation. They are known throughout the country as the experts in pre-tax benefits administration. As a result, they are in high demand as speakers for industry associations and continuing education courses for other TPAs and brokerage firms across the nation.

Other TPAs often contact us for clarification and information on new regulations. In fact, we have conducted several webinars for insurance professionals across the nation to educate them on topics like: ***Release Me! Understanding IRS Changes,*** and ***Best Practices in Consumer Directed Health Care.***

3.6.4 Participation Reporting

Provide detail of your ability to provide ETF 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.

Upon contract award, ETF will have access to multiple online reports. We currently offer 16 various reports as part of our administrative services at no charge. Available reports include: account balance, account funding, account statement, bank reconciliation, billing, claims history, claims reimbursement, debit card fee, debit card funding, enrollment, payment history, payroll deduction, and reimbursement detail, to name a few. Reports may be viewed online, or sent automatically (auto) to ETF. If auto reports are requested, ETF can choose the time and frequency for these reports to be sent. We also offer several relevant forms pertaining to your plan, the Plan Document, and SPD online, as well as online claims submission.

3.6.5 Performance Standards Reporting

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.

We will produce the reports listed in Performance Standards and Guarantees. As mentioned throughout our proposal, we offer 16 report options on demand for all of our clients. Please check out samples of our standard reports by visiting www.eflex.com/demo.

In addition, our IT department is capable of running additional reports as outlined in the Reference Materials.

Please see *Attachment 13* for sample reports.

Provide a description and example of reports other than those specified above that you recommend be made available to ETF.

We currently offer 16 various reports at no cost via our secure employer portal on our website. Available reports include: account balance, account funding, account statement, bank reconciliation, billing, claims history, claims reimbursement, debit card fee, debit card funding, enrollment, payment history, payroll deduction, and reimbursement detail, to name a few. Reports may be viewed online, or sent automatically to ETF. If auto reports are requested, ETF may choose the time and frequency to

receive the reports. Forms pertaining to your plan, Plan Document, and SPD and online claims submission are also available.

For samples of the reports, please check out our employer and employee portal demo site, it is located at www.eflex.com/demo.

3.6.6 Communication with Employers/Payroll Processing Centers

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 online interactive training options. What kind of training and administrative documentation is available to employer human resources and benefits departments?

We have dedicated staff available to handle any issues that may arise from the payroll processing centers and/or agency payroll staff. We will appoint a central contact person to be available to answer any questions regarding employer issues that might arise. We will provide ongoing support to both ETF and to all participants in the plan by using our website. We will make available online interactive training including webinars, where we can meet with as many participants or department personnel as needed. We encourage participants and employers to answer our customer service survey whenever they have contact with us so that we can continue to monitor our service levels and provide the best service in the industry.

Please see *Attachment 9* for a sample of our ***Next Steps*** flyer for new groups.

3.7 Performance Standards and Penalties

ETF requires that the vendor meet certain performance measures in order to continue as the contract administrator for the services listed in these RFPs. Cost increases will be determined by meeting or exceeding certain benchmarks.

We understand this requirement and look forward to showing ETF how we will meet and exceed their expectations.

3.7.1 Tracking and Reporting Capacity

Provide details regarding your firm's ability to track and report on the following performance measures monthly and quarterly. Provide examples of reports containing actual results in 2013 for these or very similar measures prepared for other clients of a comparable size to the State of Wisconsin.

The following details our performance service metrics and 2013 results:

Standard	2013 year-end results
Average speed of answer	30 seconds
Call abandonment rate	2.2%
First-call resolution	96.4%
Average claims processing time	0.6 days
Claims Accuracy	99.9%

We consider our actual reports proprietary due to the client detail involved. Please see *Attachment 12* for sample reports that are available. For samples of these reports and more, please check out our employer and employee portal demo site, it is located at www.eflex.com/demo.

A. Customer Service Call Center Statistics:

- ***a. Call volume***
- ***b. Average speed of answer***
- ***c. Abandon rate***
- ***d. Call drivers by type (i.e. Medical FSA, Debit Card, HSA, etc.)***
- ***e. Number of complaints***
- ***f. Average time to handle complaints***

The following table details the requested performance metric and our 2013 results:

Standard	2013 year-end results
Total number of calls	161,381 calls*
Average hold time	30 seconds
Call abandonment rate	2.2%
Call Drivers	Tracking implemented in 2014
Number of complaints	Not tracked at this time**
Average time to handle complaints	Within 1 business day

**** Includes calls handled by IVR***

***** We will work with ETF to establish a mutually agreeable process if preferred***

We started tracking call drivers this year. Year to date statistics are:

Plan	2014 YTD results
Dependent Care	5.03%
FSA	75.5%
HRA	3.43%
HSA	2.97%
Parking and Transit	2.2%
Other	11.07%

We will work with ETF to provide meaningful reports that address the itemized statistics.

B. Health Care Usage by Service:

a. Breakdown for Medical FSA or LFSA by type of service (i.e. Dental, Pharmacy, Vision, etc.). Provide information related to the programs offered by your firm.

We do not track this information by type of service. If awarded the contract, we will work closely with ETF to develop the reports needed. Shad Aumann, our Chief Information Officer, will have complete oversight all information technology systems functions.

C. Website availability:

a. Total amount of time the website was not available in 2013 for full participant access

The eflex website is monitored 24/7/365 and is very stable. We are pleased to report monthly uptime did not fall below 99.0% in 2013, excluding downtime for planned and routine maintenance.

D. ETE0002 only: Claims Statistics:

a. Total claims processed by program type (i.e. Medical FSA, Dependent Care FSA, Debit Card verification, etc.)

Plan Type	2013
Dependent Care	38,592
FSA	1,102,382
Transit/Parking	93,859
Individual Premium	3,912
HRA	174,443
Total	1,413,188

b. ***Number of claims processed by program type within 1-2 business days***

We process ***all*** claims within 1-2 business days. Average processing time for 2013 was 0.6 days.

c. ***Number of claims processed by program type within 3-5 business days***
d. ***Number of claims processed by program type within 6-10 business days***
e. ***Number of claims processed by program type within 10+ business days***
f. ***Average number of business days to process each type of claim***

For 2013, average claim processing time for was 0.6 days.

E. ***Debit Card Statistics:***
   a. ***Total number of cards issued***
   b. ***Total number of card transactions by program type***
   c. ***ETE0002 only: Number of transactions that were auto-adjudicated***
   d. ***ETE0002 only: Percentage of transactions that were auto-adjudicated***

Measure	2013
Total number of cards issued	Not captured*
Total number of card transactions by program type	Not captured*
ETE0002 only: Number of transactions that were auto-adjudicated	780,272
ETE0002 only: Percentage of transactions that were auto-adjudicated	82%

** Upon contract award, we will work with ETF to develop a report that captures this level of detail.*

F. ***ETE0002 only: Reimbursement Rejections:***
   a. ***Total number of rejections by type (i.e. service not during period of coverage, missing bill or statement for expense, account balance exhausted, etc.)***

Upon contract award, we will work with ETF to develop applicable reports to track this information. Shad Aumann, our Chief Information Officer, will oversee all of the information technology systems functions.

G. *ETE0003 only:* HSA's:

a. *How many HSAs are open, current and in the past*

Year ending	Total enrolled
2007	1
208	225
2009	1,132
2010	1,731
2011	2,165
2012	3,199
2013	4,718

We currently have 5,951 open accounts with a cash balance.

b. *Total HSA contributions, current and in the past*

Total contributions are: $3,907,892.39.

c. *Aggregate HSA balances (detail ability to retrieve data on new versus rollover balances), current and in the past*

Current total HSA cash balances = $5,734,781.90.

d. *Detail other HSA information available on employer/ETF generated reports*

Depending on your plan design, you may automatically receive a variety of notifications, including:

- **Employer HSA Account Summary** provides a summary of HSA activity, including total balances, average balance statistics, and accounts created.
- An **HSA Account Detail Report** is used to help reconcile the employer's records.
- **HSA Employer Contribution Notification** is sent/posted to the employer portal a certain number of days prior to the scheduled employer contribution date.
- **Payroll Deduction Notification** is sent/posted to the employer portal a certain number of days prior to the scheduled payroll contribution date.
- **Enrollment Report** is sent/posted to the employer portal and includes general information regarding all plan types for the enrolled employees.
- **HSA Mid-Year Election Notification** is sent to employers when an employee enrolls in an HSA outside of the initial enrollment period.

- **HSA Funding Collection Notification** is sent/posted to the employer portal to provide the amount of payroll deduction and or employer contribution funding that will be collected.

In addition, we offer the following report classifications through our secure portal. These include multiple report compilations based on information sought:

- Account Funding Reports
- Billing Reports
- Debit Card Fees Reports
- Debit Card Status Reports
- Debit Card Transactions Reports
- Employer Contribution Notifications
- Enrollment Reports
- eflexHSA Contribution Reports
- Fee Funding Notifications.
- eflexHSA Mid-Year Election Notifications
- eflexHSA Funding Notifications
- Plan Deposit Report

3.7.2 Performance Standards and Guarantees

Specific Performance Standards and Guarantees (PS&G) will be negotiated during contract negotiations and will become part of the contract. Penalties will also be negotiated and established. Penalties may be assessed for any PS&G not met.

PS&Gs will be related to, but not limited to, the following categories:

- ***Standards & practices***
- ***client services***
- ***customer service & inquiry (client specific)***
- ***claim processing & reimbursement and card fulfillment***
- ***deduction management***
- ***technology***
- ***legal/compliance***
- ***enrollment planning & processing***
- ***accounting***
- ***disaster recovery***

Upon contract award, we will work with ETF to establish mutually agreeable service level guarantees and associated fees to put at risk for the metrics listed above.

3.7.3 Performance Standards

Describe the procedure that will be followed to ensure performance standards as described in Sections 3.7.1 and 3.7.2 are properly measured and reported. Include a sample report that will be provided to ETF to demonstrate how the performance standards will be monitored.

eflex will use the performance measurement tools and service standards we already have in place to meet and report on the standards requested by ETF. We have Lean Six Sigma process measurement tools throughout our entire organization. These tools allow us to accurately measure and report on service procedures such as claims processing and call center service metrics. We are so confident in our service metrics that we post them daily on our website.

Please see *Attachment 14* for our 2013 call center and claims measurements. We will work with ETF to demonstrate our performance and if needed coordinate a schedule to deliver the data desired.

3.7.4 Other Performance Guarantee Agreements

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 ETF.

We don't currently have any clients with performance guarantees or who have incorporated penalties due to our service levels. We consistently exceed the performance guarantees set by the other TPAs. We are confident that our own internal service standards will consistently meet and exceed the standards outlined by ETF. In fact, we are so confident in our consistent service levels that if awarded the contract, we will work with ETF to establish mutually agreeable service level guarantees and associated fees to put at risk.

3.7.5 Performance Measurements [ETE0002 only]

List any performance measurements your organization currently uses to evaluate claims processing volume, accuracy, turnaround time, etc. Specify how these measurements are derived.

eflex uses Lean Six Sigma measurement tools to evaluate process efficiency. All aspects of our claim processes are calculated and evaluated including volume, processing time, and error rate. These statistics are tracked in real-time through a live dashboard. Through this system we can identify claim processing alerts as they occur. Claim volume is monitored daily and adjustments in processing resources made if needed, accordingly. Processing time and accuracy are evaluated through random samples taken from processed claims on a weekly basis. All statistics are measured against Lean Six Sigma levels of efficiency. ***We don't just talk about service. We prove it.***

3.8 Transition, Implementation, and Turnover

3.8.1 Transition Plan

ETE0002 only: Provide a detailed plan to effectively and efficiently assume administration of the ERA and Commuter Benefits programs by January 1, 2015. 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 beginning January 1, 2015, including transitioning current accounts through the grace period and run-out through April15, 2015. This plan shall also include performing open enrollment and communication in the fall of 2014.

ETE0003 only: Provide a detailed plan to effectively and efficiently initiate administration of the HSA and LFSA programs on January 1, 2015. This plan must outline the major activities and considerations necessary for initial implementation including administering and managing open enrollment and communication in the fall of 2014.

We are experts in new group implementation and plan takeovers; we can assure you that the transition will be seamless with no disruption of service. We have effectively on-boarded thousands of clients successfully. We use formal project management for each step and phase of the implementation.

To onboard a new plan, we would like a 30-day implementation timeline. If it is a takeover, we would like a 60 day implementation timeline.

We will assign an ETF dedicated account management team to oversee all aspects of the on-boarding process. Furthermore, our Sales Associates, as well as all staff in Customer Care Center, Claims, and Client Services have specific training on our products and procedures. This cross training qualifies them to provide successful educational meetings and support should they need to cover in the event of illness or emergency.

Each eflex department is experienced in the plan set up and implementation phase and we have created a rolling task plan to ensure success.

Sample Timeline for ETF				
TASK	RESPONSIBILITY	DUE DATE	COMPLETE	NOTES
Implementation call to discuss timeline	Both			
FSA Agreement sent	eflex			
FSA Agreement Completed	ETF			
Develop SOW/SLA/etc.	Both			
Open Enrollment Dates	ETF			

Open Enrollment Materials Sent	eflex			
Open Enrollment Meetings	Both			
EDI Test Files Begin	Both			
EDI Test Files Completed	Both			
Enrollment Info to eflex	ETF			
Online and Procedural Overview	Both			
Implementation Complete / debit cards sent to employees	eflex			
Welcome email to employees	eflex			

3.8.2 Data and Other Information Needs

1. ***ETE0002 only: 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 ETF. Include any assumptions or constraints regarding ETF resources. No ETF positions are dedicated solely to this implementation.***

2. ***ETE0003 only: Provide a list and description of the data and other information that will be needed to complete the implementation. Include any assumptions or constraints regarding ETF resources. No ETF positions are dedicated solely to this implementation.***

To be provided by the previous administrator:

Eflex will only require data from the previous administrator in the case of accounts transitioning mid-year. This might include run-out or rollover accounts from the previous plan year.

- Participant takeover enrollment data. This will include account balances, year to data claims paid, and year to date contributions made to all accounts transitioning or rolling over from a previous administrator.

To be provided by ETF:

- Plan adoption agreements. These documents will include information specific to ETF including addresses, contact persons, plan design specifications, payroll dates and banking information, in addition to serving as the plan contracts. The eflex implementation team will be fully available to assist ETF in completing these documents.

- Participant enrollment information. Enrollment data includes participant demographics, payroll schedule and plan election details. Eflex can accept this data via spreadsheet, electronic data interchange, or online via our participant election portal.

Please see *Attachment 15* for a sample of our FSA Adoption Agreement.

3.8.3 Transition Staff

Identify the staff members, as well as the number of full-time equivalent positions, by area of expertise who will be assigned to the implementation team.

ETF's implementation team will be led by:

- Chris Dittrich, Regional Sales Manager
- Nancy Dantzman, Vice President – Business Development
- Micheal Herman, President
- Shad Aumann, Chief Information Officer
- Ryan Knautz, Director of Administration
- Jamie Johnson, Compliance Director
- Gar Zibrowski, Sales Account Manager

The close proximity of our office locations lends itself to effective sharing of information because discussions between ETF and eflex personnel can be in person, face-to-face.

We are committed to the success of ETF/eflex partnership. We believe personal access to our most senior executives, including our President, Michael Herman, Nancy Dantzman, Vice President, Business Development, and Shad Aumann, Chief Information Officer, will demonstrate our commitment to the success of the ETF programs and ensure we meet the needs of your participants. Chris Dittrich, Regional Sales Manager, and Gar Zibrowski, Sales Account Manager, will serve as your primary contacts for ongoing account administration. These professionals will help ETF navigate any challenges and successfully manage a diverse program.

We are experts in implementation and plan takeovers and we can assure you that the transition will be seamless with no disruption of service. We have effectively on-boarded thousands of clients successfully. We use formal project management for each step and phase of the implementation.

To onboard a new plan, we would like a 30-day implementation timeline. If it is a takeover, we would like a 60 day implementation timeline.

We will assign a dedicated account management team to oversee all aspects of the on-boarding process. Furthermore, our Sales Associates, as well as all staff in Customer Care Center, Claims, and Client Services have specific training on our products and procedures. This cross training qualifies them to provide successful educational meetings and support should they need to cover in the event of illness or emergency.

Each eflex department is experienced in the plan set up and implementation phase and we have created a rolling task plan to ensure success.

We will be proactive in communications with you and plan participants to ensure satisfaction. We will work with the current TPA (EBC) to obtain all necessary data to meet the proposed schedule. We will request current demographic information, enrollment information, and annual election amounts for each participant. Please refer to the sample implementation outlined above. We will, of course, work with ETF to design a comprehensive timeline upon award of the contract.

3.8.4 Comprehensive Turnover Plan

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 of termination to the contractor.

Should ETF decide to terminate their agreement with eflex, we will take all necessary steps to provide a smooth and timely transition to another carrier. We will assist in whatever is necessary to ensure an easy transition for ETF and their employees maintaining the utmost professionalism. We will also guarantee needed reports are available after termination as well as verification of current information.

We require notice of termination at least 90 days prior to the plan-year end date. In any case of termination, ETF shall be responsible for 90 days of administrative fees to cover administration of claims run out.

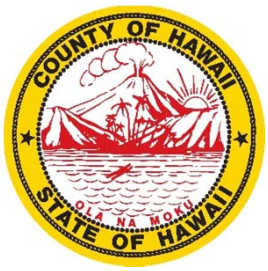
End of plan year termination

If a termination is occurring at the end of a contract year, eflex requires:

- 60 day notice of termination in writing
- Reason for termination
- Identify if there is a required claim run-out period

According to IRS regulations, ETF can require eflex to continue to process claims incurred within the previous plan year for up to 90 days after the plan is over.

Mid-year termination

Should ETF terminate the plan mid-year, eflex will need specific dates for to cease claim processing and to turn-off debit cards. eflex can then provide an account balance report to ETF one week after all claim paying has ended and all debit cards are turned off. Please note that there will be an early termination fee associated with terminating mid-year, as well as after the 60 day written notice is required.

You're in Good Company