



## MEMORANDUM

**TO:** Health Care Commission  
Duane Goossen, Chair  
Steve Dechant  
Sandy Praeger  
Nancy Ruoff  
John Staton

**FROM:** Doug Farmer

**DATE:** May 20, 2010

**SUBJECT:** **Flexible Spending Account Administrator**

Request for Proposal (RFP) number 12714 for administration of the flexible spending account (FSA) program was released January 29, 2010, and closed on March 11, 2010. Four bids were received in response to the RFP. One bid was determined to be incomplete and was disqualified. Negotiations were held with the remaining three bidders, ASI, DataPath and PayFlex.

In addition to vendor experience, flexibility, and capacity, other issues of specific focus were vendor capability to administer debt cards for purchases. Based upon the vendors' responses, State Employee Health Plan staff scheduled negotiation meetings with three vendors. Following the meetings, the vendors were asked to provide their best and final rates.

### Recommendation:

Staff recommends that a three (3) year contract be awarded to ASI for administering the flexible spending account program.