



SAN FRANCISCO HEALTH SERVICE SYSTEM

Affordable, Quality Benefits & Well-Being

ADDENDUM NO. 1

Flexible Spending Account, Dependent Care Spending Account, COBRA, and AB528 Administration for Plan Year 2027 Request For Proposal

(RFPQHSS2025.B1)

September 30, 2025

REQUEST FOR PROPOSALS FOR

Flexible Spending Account, COBRA, and AB528 Administration PY2027 (RFPQHSS2025.B1)

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This Addendum is being issued to modify the requirements in the above-referenced Request for Proposals (RFP) and to respond to questions and requests for clarification received by or before October 30, 2025 at 12:00 PM (PDT) (the “Deadline for RFP Questions”).

Please review the terms of the RFP and this Addendum carefully. If there are any inconsistencies between the RFP (issued September 16, 2025) and the terms of this Addendum No. 1, then the terms of this Addendum No. 1 shall prevail.

Section references below are to the RFP and are provided for convenience of reference only.

A. Questions & Answers

1. Why is SFHSS conducting this RFP?

SFHSS Response:

It is an established best practice of the San Francisco Health Service System (SFHSS) to assess all benefits and benefits administration contracts annually and report to the Health Service Board.¹ Furthermore “agreements entered into by a department, board or commission having a term in excess of ten years...shall be subject to approval of the Board of Supervisors by resolution.” San Francisco, Cal., Charter § 9.118 (2025). The original competitive bid for the administration of FSA, COBRA, and AB528 benefits was effective for the 2014-2015 fiscal year.

Having reached that ten (10) year mark, on March 11th, 2025, the San Francisco Board of Supervisors approved the San Francisco Health Service System Resolution No. 103-25 (File No. 250108) for a tenth (10th) amendment to the current agreement between the City and the incumbent COBRA, AB528, FSA and DCFSA service provider P & A Administrative Services (P&A). The amendment extended the term of the agreement through December 31, 2026 and provided SFHSS sufficient time to issue a competitive bid for FSA, COBRA, and AB528 services for calendar year 2027.²

2. Are bidders allowed to subcontract?

K&H Print, Inc. (dba K&H Printers-Lithographers) provides COBRA letters and FSA benefits letters for other clients. K&H (contact BEvans@khprint.com) is a current and longstanding partner with the San Francisco Health Service System for open enrollment and related health benefit communications.

Are subcontractors permitted to engage prospective bidders (and vice versa) to offer subcontracting opportunities ?

¹ See “SFHSS Annual Benefits Contract Assessment”, August 14, 2025 regular meeting of the Health Service Board, available at <https://sfhss.org/board-meeting/2025-08-14t200000>; see also “SFHSS Annual Benefits Contract Evaluation and Assessment”, August 8, 2024 regular meeting of the Health Service Board, available at <https://sfhss.org/board-meeting/2024-08-08t200000>.

² See Resolution No. 103-25, File No. 250108, available at <https://sfbos.org/sites/default/files/r0103-25.pdf>

What if we are a vendor who can only provide FSA and COBRA administration services, but not AB528 administration services?

SFHSS Response:

Subcontracting is permitted, however, each Respondent must meet all Minimum Qualifications (see *RFP* Sec. 3.2 (Minimum Qualifications) including, but not limited to subsections 3.2.H, 3.2.I through 3.2.N, and 3.2.S.

For example, a Respondent submitting a proposal must meet the stated thresholds for the number and size of client populations served, including having “two (2) or more clients for AB528 administration within the last three (3) years.” A Respondent who is not able to provide AB528 services would be disqualified from bidding as being unable to provide the complete required Scope of Services (Section 2).

However, two (2) or more bidders may form a formal Joint Venture to meet Minimum Qualifications 3.2.I through 3.2.N. However, subcontracting AB528 services would not meet Minimum Qualification 3.2.N. Please be advised that a fully executed Joint Venture Agreement between the bidders is required to support the Minimum Qualifications.

3. Can multiple employees from my organization access the secure SFTP site after we complete the Mutual Confidentiality and Non-Disclosure Agreement (MCA)?

SFHSS Response:

Yes. Once an organization executes an MCA, SFHSS may provide a limited number of additional grants of access to the SFTP. However, the RFP still requires that each Respondent designate a single Authorized Representative in the MCA to communicate on behalf of each Respondent for all matters related to the RFP. SFHSS will not recognize other individuals as representing Respondent unless written directions are provided in advance by an authorized legal representative of the Respondent. See RFP Section 3.1.2 and 3.1.3.