



SAN FRANCISCO HEALTH SERVICE SYSTEM

Affordable, Quality Benefits & Well-Being

ADDENDUM NO. 3

PeopleSoft HCM Benefits Optimization and Implementation Services (RFPQHSS2026.I1)

June 16th, 2026

REQUEST FOR BIDS FOR

PeopleSoft HCM Benefits Optimization and Implementation Services (RFPQHSS2026.I1)

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This Addendum is being issued to modify the requirements in the above-referenced Request for Bids (RFB) and to respond to questions and requests for clarification received by or before June 9, 2026 at 2:00 PM (PDT) (the “Deadline for Questions”).

Please review the terms of the RFB and this Addendum carefully. If there are any inconsistencies between the RFB (issued May 26, 2026) and the terms of this Addendum No. 3, then the terms of this Addendum No. 3 shall prevail over the RFB as well as Addenda Nos. 1 and 2 thereto.

Unless expressly modified by this Addendum No. 3, all other terms, conditions, requirements, deadlines and instruction to the RFB, Addendum No. 1, and Addendum No. 2 remain unchanged. **Please note that SFHSS does not anticipate issuing additional addenda for this solicitation.**

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

A. Questions & Answers

1. **What is the anticipated implementation timeline and start date for the project?**

SFHSS Response:

While SFHSS seeks an initial contract resulting from this Request for Bids (RFB) to be effective on or around September 2026 through June 30, 2027, the actual start date for services and implementation will depend on the overall contracting timeline, including, but not limited to, the selection of a vendor as a result of this Request for Bids (RFB), the selected Respondent's compliance with City Approved Supplier requirements, negotiation and execution of an agreement, and onboarding of the selected Respondent's staff.

2. **Please provide a breakdown of active employees for the four (4) participating employer groups, and confirm the Open Enrollment dates for each employer group? Will the annual Open Enrollment be conducted in the PeopleSoft Human Capital Management (HCM) Benefits Administration module for each employer group?**

SFHSS Response:

Open Enrollment (or "OE") typically lasts for a period of three (3) weeks in October. While the exact dates for Plan Year 2027 will be released in the coming months, the OE period is the same for all four (4) participating employers. For the purposes of this procurement, Respondents can simply refer to the Open Enrollment period generally in their responses and consider the first day of Open Enrollment as October 1st.

All employer groups will utilize PeopleSoft HCM to submit their OE elections for 2027. The table below summarizes the active employee counts for each employer group as of June 15, 2026.

Participating Employer	Active Employee Count
City and County of San Francisco (CCSF)	39,757
San Francisco Unified School District (SFUSD)	8,109
City College of San Francisco (CCD)	1,460
Superior Court of San Francisco (CRT)	473

3. Please confirm whether or not the PeopleSoft HCM serves as the system of record for all benefits and populations.

SFHSS Response:

Yes. The PeopleSoft HCM is the system of record for SFHSS-administered benefits enrollment information for active employees, retirees, and their eligible dependents. Dependent information is maintained in PeopleSoft HCM. Beneficiary information is not maintained in PeopleSoft HCM.

4. Please provide a list of all benefit plans and vendors currently administered by SFHSS.

SFHSS Response:

Benefit Type	Vendor <i>(alphabetical order)</i>	Plans
Medical	Blue Shield of CA	<ul style="list-style-type: none"> ▪ Access+ HMO ▪ Trio HMO ▪ PPO ▪ Medicare PPO
	Health Net	<ul style="list-style-type: none"> ▪ Canopy Care HMO
	Kaiser Permanente	<ul style="list-style-type: none"> ▪ HMO ▪ Medicare HMO
Dental	Delta Dental of CA	<ul style="list-style-type: none"> ▪ DHMO ▪ PPO
	UnitedHealthcare Dental	<ul style="list-style-type: none"> ▪ DHMO
Vision	VSP	<ul style="list-style-type: none"> ▪ Basic ▪ Premier
Life Insurance	New York Life	<ul style="list-style-type: none"> ▪ Group Basic Life ▪ Voluntary Life
Disability Insurance	New York Life	<ul style="list-style-type: none"> ▪ Long-Term Disability ▪ Short-Term Disability
Accidental Death and Dismemberment Insurance	New York Life	<ul style="list-style-type: none"> ▪ Accidental Death and Dismemberment
Flexible Spending Account (FSA)	P&A Administrative Services, Inc.	<ul style="list-style-type: none"> ▪ Health Care FSA ▪ Dependent Care FSA

Please visit <https://sfhss.org/your-benefit-plans> for more information about the SFHSS-administered benefits and vendors.

5. Does SFHSS permit the use of offshore resources for any portion of the project?

SFHSS Response:

No. SFHSS does not permit offshore resources for any portion of the project, including any subcontractor or contractor.

As stated in Appendix B (Vendor Response Form), Respondents must answer the following:

“2. If selected, confirm that all personnel providing services for SFHSS will be located within the United States.

Yes _____ No _____”

“3. If selected, confirm that City data will not traverse networks located outside of the United States.

Yes _____ No _____”

Because the services to be performed by the selected Respondent will involve access to information that is protected under the Health Insurance Portability and Accountability Act (HIPAA), and in accordance with applicable City Department of Technology and City Attorney rules and guidance, the selected Respondent must ensure that all personnel providing services for SFHSS are located within the United States and that City Data does not traverse networks located outside the United States. See Article 13 in Appendix C (Standard Professional Services Agreement) and questions 2 and 3 in Appendix B (Vendor Response Form).

The selected Respondent may be required to provide policies and procedures for City review and approval, including, but not limited to, policies related to telecommuting, data security, authorization of personnel, equipment use, access controls, and other technical and operational safeguards. Because these services involve sensitive and protected information, any computer equipment used to provide services or access City Data must be owned by the Contractor (selected Respondent) company. Personal equipment may not be used to perform services or access City Data.

6. Would SFHSS consider a proposal submission extension to allow vendors additional time to complete their review and prepare responses?

SFHSS Response:

No. Due to the time sensitivity of the City’s procurement and budget time frame, an extension cannot be granted.

7. Are Secure 2.0 related Patches from Oracle applied in Production?

SFHSS Response:

Yes.

8. What version is the Application PUM Level and PeopleTools in Production?

SFHSS Response:

The City currently uses PeopleSoft HCM 9.20, PeopleTools 8.58.06. The City anticipates completing a PUM upgrade to Image #53 as part of a development freeze from June 2026 to September 2026.

9. Are there any blackout periods, including Open Enrollment or other business-critical periods, during which testing, migration activities, or production deployments cannot occur?

SFHSS Response:

The City anticipates a development freeze period from June 2026 through September 2026 in order to implement a PUM upgrade. If the agreement resulting from this solicitation is executed prior to the completion of the PUM upgrade, the City and the selected Respondent will complete all applicable aspects of Deliverables and Payment Milestone Gates (see Appendix A, Section 5) to ensure the selected Respondent is ready to perform implementation and configuration services when the development freeze period concludes.

For the purposes of bidding and if selected, Respondents should assume that Open Enrollment is a critical period for SFHSS and our services to our Members. As such, production deployments, testing/disruption, and/or migrations should not occur during Open Enrollment unless expressly approved in writing by SFHSS and the applicable City technical authorities. Non-production planning, documentation, validation, and other activities that do not disrupt critical Open Enrollment responsibilities for SFHSS Operations and Information Systems staff and management may continue as mutually agreed upon.

- 10. Does client have documented Current State Business Process diagrams for which future state design is requested?**

SFHSS Response:

Yes. SFHSS will provide all relevant files and documents to the selected Respondent after a contract has been executed and during the project onboarding process in order to fully and successfully perform the required services.

- 11. Do SFHSS's benefit vendors interfaces use an Electronic Data Interchange (EDI) format?**

SFHSS Response:

Yes. SFHSS will provide all applicable files and formats to the selected Respondent after a contract has been executed and during the project onboarding process.

- 12. Please describe the arrears and refund processing steps utilized by SFHSS, including an approximate number of arrears processed in a month.**

SFHSS Response:

For 2026, SFHSS processes approximately 4,700 arrears and 1,500 refunds each month. SFHSS will provide all documentation and resources on relevant business processes to the selected Respondent during project onboarding.

- 13. Does the City process *Consolidated Omnibus Budget Reconciliation Act of 1985* (COBRA) applications in PeopleSoft HCM?**

SFHSS Response:

No. SFHSS contracts with a third-party administrator (TPA) to process COBRA applications from eligible SFHSS members and dependents. SFHSS implements a weekly interface that sends the necessary data to our COBRA vendor in order to process applications. SFHSS will provide all applicable files and formats to the selected Respondent after a contract has been executed and during the project onboarding process.

14. Please describe the deduction schedule for each Plan Type in use.

SFHSS Response:

The City utilizes a biweekly and monthly deduction schedule, and all employee-paid benefits are paid by deduction from a paycheck created in PeopleSoft HCM. However, Benefits Billing functionality is not enabled yet. SFHSS will provide all applicable files and formats to the selected Respondent after a contract has been executed and during the project onboarding process.

15. How many Subject Matter Experts (FTE) does the City anticipate assigning to support this project?

SFHSS Response:

Over the course of the project and contract period, SFHSS anticipates assigning approximately seven (7) to ten (10) SMEs (in addition to the SFHSS project sponsor) from among active City employees, including, but not limited to personnel from the SFHSS Operations, Information Systems, and Member Services divisions, and the City’s Controller Office and Department of Technology on an as-needed basis.

16. Please confirm which party will be responsible for developing training materials and delivering training to City employees as noted in Section 5 (Deliverables and Payment Milestone Gates) of Appendix B (Vendor Response Form).

SFHSS Response:

The selected Respondent will be responsible for developing the training materials, runbooks, handoff materials, and related knowledge-transfer documents required under Appendix A, Section 5 (Deliverables and Payment Milestone Gates), Deliverable 7.

The selected Respondent will deliver any and all trainings required by the City in association with the Post Go-Live Support Plan. See Appendix A, Section 5, Deliverable 7.

City will collaborate with the selected Respondent throughout the project, including, but not limited to, ensuring all training materials, formats, scheduling, and participants are mutually agreed upon between parties.

- 17. If any potential changes to a participating employer’s respective payroll system are identified, and which may have an impact on the project – per Section 3 (Scope of Work) of Appendix A (Phase II Implementation Scope of Services) – is the selected Respondent or employer responsible for implementing and/or mitigating system updates.**

SFHSS Response:

As applicable, participating employers and the Controller’s Office will own and implement changes to their payroll systems. The selected Respondent is not expected to directly configure external employer payroll systems unless expressly defined in the Agreement with SFHSS resulting from this procurement.

However, the selected Respondent will be responsible for supporting payroll integration alignment, identifying potential impacts, documenting assumptions, identifying dependencies, supporting interface validation, and supporting testing and coordination with SFHSS, the Controller’s Office, and participating employers as necessary to complete the in-scope work.

- 18. Please confirm roles and responsibilities for User Acceptance Testing (UAT) execution and sign-off for the selected vendor.**

SFHSS Response:

User Acceptance Testing (UAT) will follow a shared model (see Appendix A, Section 3.F and Section 5, Item 5), whereby the selected Respondent will be responsible for conducting unit testing for all deliverables referenced in Appendix A (Vendor Response Form).

SFHSS will participate in the UAT execution and will retain final sign-off authority. No production deployment may occur until testing is complete, all critical defects are resolved, and SFHSS has provided the required written approval and sign-off as per Appendix A, Section 5, including Deliverable and Payment Milestone Gate No. 5. After go-live, the selected Respondent will assist City in monitoring activities in the production system to ensure its success.

- 19. What software and/or applications are used by SFHSS for project management, quality assurance, defect management, and testing scripts and results?**

SFHSS Response:

SFHSS leverages a combination of Microsoft Planner and Excel depending on a project's variables, complexity, and stakeholder resources.

- 20. Our firm is not a vendor on the *Pre-Qualified List of Suppliers for RFQ 2022-04 Enterprise Resource Planning Systems Implementation & Support Services* issued by the Controller's Office and used for this solicitation. However, are bidders allowed to submit proposals that include a subcontractor?**

SFHSS Response:

This solicitation is issued through the Pre-Qualified List of Suppliers for RFQ 2022-04 Enterprise Resource Planning Systems Implementation & Support Services (the "PQL"). The PQL is not owned by SFHSS, and SFHSS does not have the authority to make the vendor list publicly available. Only eligible suppliers on the PQL may submit responses as (prime) Respondents to this procurement (RFB).

A prime Respondent to this RFB may propose subcontractors, subject to the requirements of this RFB (see Addendum No. 2, Section A., Question 1), the City's Professional Services Agreement terms and conditions (Appendix C, available at https://sfhss.org/sites/default/files/2026-05/Appendix%20C_Professional%20Services%20Agreement%20%28RFPQHSS2026.11%29.docx).

However, the prime Respondent remains legally responsible for all work performed by subcontractors and for ensuring full and complete subcontractor compliance with all applicable requirements, including confidentiality, cybersecurity, HIPAA, U.S.-based access (see Question 5, above), and data-routing requirements (same).