



City of Carlsbad, New Mexico  
RFP # 2017-06  
Addendum 2

4/9/17

### **Addendum Notice – Cafeteria Plan Administrator**

The City of Carlsbad has received the following questions regarding RFP 2017-06 and offers the following answers in blue text:

1. Of the 427 eligible employees, how many are participating in the FSA program? **336**
2. Who is the current FSA claims administrator? **Colonial Life**
3. Please provide the administrative fees billed by the FSA administrator.  
**The City does not offer an FSA.**
4. Does the City pay all fees? If not, how much do participating employees pay?  
**75/25**
5. What is the renewal date, or anticipated start date of the program?  
**August 1, 2017**
6. Is a grace period or carryover provision included for the health care FSA?  
**FSA not included**
7. Is a FSA debit card offered? If so, can you confirm the current card process is compliant with IRS regulations? How many participants did not substantiate transactions this past year and had taxable income as a result? **There is no debit card offered. FSA is not included.**
8. Are there any issues to be mitigated? **No**

9. We have questions regarding the benefits offered. The general specifications document #4, 5, 6, 10 and Tab 4 all reference benefits, but this term is not defined. **The benefits are not defined because it is up to the proposer to offer the benefits they would like to provide to City employees. The City does not have a defined set of benefits we are seeking. Currently, we have a provider that offers plans for Supplemental Life, Hospitalization, Accident, Cancer etc.**

10. Is the City seeking vendors who also sell voluntary insurance products as well as administrator FSAs? **Yes, the City is looking for a plan administrator as well as voluntary insurance products.**

11. Would you consider a stand-alone FSA proposal without insurance products? **No**

12. If insurance products are required, what products does the City want? **The City does not require specific products. Whatever products the proposer offers is what the City will consider. (See #9)**

**Matt Fletcher  
Purchasing Manager  
City of Carlsbad  
575-234-7905**

If you have any questions, please feel free to contact me at 575-234-7905 or email me at [msfletcher@cityofcarlsbadnm.com](mailto:msfletcher@cityofcarlsbadnm.com).

**Please return a signed copy of this addendum notice with your bid.**

X \_\_\_\_\_  
Name of Representative

Date: \_\_\_\_\_