

HUMAN RESOURCES DEPARTMENT
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Date: December 8, 2020

To: Mahesh Sharma, County Administrator

From: Mary J. Thee, Human Resources Director/Asst. County Administrator

Subject: Insurance Recommendations - Flex Savings Modification

Flex Savings Plan

In October we recommended the automatic renewal of our flex savings plan with Wage Works. However, following the recommendation we discovered that the company that bought out Wage Works, Health Equity, was changing the terms of the agreement. We had planned to conduct an RFP in 2021, but instead requested that our insurance consultant, Holmes Murphy, do an RFP for flex saving services. Six providers returned responses. David Farmer, Andrea Ahmann and me, along with our representative from Holmes Murphy interviewed three of the providers. We recommend iSolved Benefit Services as the provider.

The flex savings plan allows employees to pay pre-tax dollars for medical and dependent care expenses. The County was paying Wage Works \$5.25 PPPM (per participant per month). The new agreement with iSolved Benefit Services is for \$3.50 PPPM. This equates to an annual savings of approximately \$6,000. Not only does the change result in a cost savings, we feel that iSolved Benefit Services is better prepared to serve the needs of our employees. The debit card capabilities and mobile app will be more robust for staff. iSolved Benefit Services has offered a rate guarantee for 3 years.

We recognize the first quarter of the transition may have some bumpy moments as our plan allows for the carryover of 2020 funds into the upcoming year. There may be a blackout period for staff and confusion of accessing new versus old contributions. We'll communicate these changes to applicable staff and work with both companies to make it as smooth as possible. The supporting documentation is attached.

Cc: David Farmer, Director of Budget and Administrative Services
Anna Evans, Holmes Murphy
Andrea Ahmann, Benefits Specialist

Please note that you must complete rate information in the following requested format in order for your quote to be considered.

Proposed FSA Fees

Assumptions	Number of Participants
HC FSA	231
DC FSA	13*

*12 of the 13 are enrolled in the FSA also

	Advantage Administrators	Discovery Benefits	EBC	EBS	iSolved	TriStar
	Proposed PEPM FSA Fees/Responses	Proposed PEPM FSA Fees/Responses	Proposed PEPM FSA Fees/Responses	Proposed PEPM FSA Fees/Responses	Proposed PEPM FSA Fees/Responses	Proposed PEPM FSA Fees/Responses
Account Management						
Dedicated Account Manager Assigned	Yes, No Fee	Scott County will be served by our Client Services Team. There are multiple ways to connect with us - you can	Included	\$0.00	Included Upon Request	Yes
Core Service Fees						
Health Care FSA Administration Fee (PEPM)	5.10*	\$3.75 PPM	\$3.25	\$5.00 Per Enrolled Employee Per Month	\$3.50	\$5.00 PEPM
Limited Purpose FSA Administration FEE (PEPM)	5.10*	\$3.75 PPM	\$3.25	Included with the Health Care FSA Admin Fee	\$3.50	\$5.00 PEPM
Dep Day Care Administration Fee (PEPM)	5.10*	\$3.75 PPM	\$3.25	Included with the Health Care FSA Admin Fee	\$3.50	\$5.00 PEPM
Is FSA PEPM fee per employee or per account?	per employee enrolled	Per Employee	Per BESTflex Plan Participant	Per Enrolled Employee Per Month	Per Employee	Per employee
Debit Card Fee (PEPM)	included	All FSA participants automatically receive two	Waived	\$0.00	Included	Included
Minimum Monthly Fee	\$60.00	50	\$60.00	\$80.00	\$75.00	\$50.00
Implementation/Set Up Fee	None	Discovery Benefits does not charge any additional set-	\$0.00	\$500.00 One-Time Fee	\$0.00	\$250.00
Annual Renewal Fee	None	Discovery Benefits does not charge any additional set-	\$0.00	\$0.00	\$0.00	\$250.00
Manual Reimbursement Checks	\$2.00 per check	No fee	No Fee	<u>\$0.00</u>	\$0.00	Included
Run-Out Administration Fee	One time fee = \$145.00 set up, \$13.75 per Health FSA account, \$6.88 per Dependent Care Account. Our standard is to just enter these accounts	No fee	Included in Monthly Administration Fee	Monthly Admin Fees For Each Month of Run Out	Same as Active Participant	\$5.00 PEPM

Rate Guarantee (Months)	36 months with a signed multiple year service agreement. *This would include a 10% discount on the	5 years/60 months	36 months	24 Months (2 Years)	36.00	2 year
Additional Fees (please outline/explain)						
Employee Communication Material (Please List)		We believe that education is key to the success of these plans for the employer and participant. We understand that education is not "one size fits all" and that we need to provide resources and support for every participant. We will	No Fee	\$0.00		Included
1	FSA Fact Sheets paper/electronic (Included)			\$0.00	All materials are included	Included
2	Mobile App Brochure paper/electronic (Included)			\$0.00	\$0.00	Included
3	Benefit Card Brochure (Included)					
4	HSA Brochure and userguide (Included)					
Form 5500 Preparation (Schedule)	Included	Discovery Benefits will provide access to the data that is necessary for the employer to complete the 5500 filing in email format upon request from the employer, provided the plan meets the filing requirements.	Included	not included	Not covered by this service, but there are 5500 service options available. Access to the data needed to include on the group's 5500 will be	Included
Creation of Flex Plan SPD	included	No fee	Included	0 (included with initial set up)	included	Included
Amendments to Flex Plan SPD	included if a regulator requirement. Optional Amendements \$150.00	Amendments can also be made through LEAP™ at no additional cost.	Mid year amendment - \$50	\$200 (Quoted)	included	Included
Replacement Debit Cards	\$10.00 per set of two cards	No fee	No Fee	\$0.00	2 for \$5	Included
Non-Discrimination Testing	included	Discovery Benefits includes in its administrative fees the following three objective	Included	\$800.00	included	Included
Projected Employer Cost						
Total Monthly Administration (DEPA)	\$1,183.20	\$3.75 PPM	\$754.00	\$1,160.00	\$9,744.00	\$6.00
Commissions- NONE	None	N/A	\$0.00	\$0.00		\$0.00
Total First Year Cost (2021)	\$1,183.20	\$10,440.00	\$9,048.00		\$9,744.00	\$14,170 *

based upon current

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES
THAT THIS RESOLUTION HAS BEEN FORMALLY
APPROVED BY THE BOARD OF SUPERVISORS ON

DATE

SCOTT COUNTY AUDITOR

R E S O L U T I O N

SCOTT COUNTY BOARD OF SUPERVISORS

December 10, 2020

APPROVAL OF AGREEMENT FOR FLEX SAVINGS PLAN ADMINISTRATION WITH
iSolved Benefit Services

BE IT RESOLVED BY the Scott County Board of Supervisors as follows:

Section 1. That the county enter into an agreement with iSolved Benefit Services for administration of the County's flex savings program is hereby approved.

Section 2. That the Human Resources Director hereby authorized to sign any necessary contracts for services on behalf of the Board.

Section 3. That paragraph 1 of the October 15 resolution regarding renewal with Wage Works is rescinded.

Section 4. This resolution shall take effect immediately.