

REQUEST FOR PROPOSALS

ENTITLED:

“New York State Health Insurance Program Banking Services”

Official Responses to Offerors’ Questions

Item Number	RFP Page	Section Number	Question	Response
1	6	1.4	<p>In Section 1.4 of the RFP, it states: “It shall be understood that references in the RFP to “Offeror” shall include an entity’s proposed Subcontractors or Affiliates (as defined in Section 4.3 of this RFP), if any.”</p> <p>Given that there are numerous forms/requirements specific to bid submission (and contract) by the Offeror, is the State indicating that all such forms/requirements must additionally be completed by a subcontractor or is this statement more about substance in terms of understanding that regardless of whether work is performed by the subcontractor or the Offeror, the Offeror remains ultimately responsible? In either case, will the State clarify which references to “Offeror” in terms of bid submission and contracting are applicable to any subcontractor?</p>	<p>This statement conveys that whether work is performed by the subcontractor or the Offeror, the Offeror remains ultimately responsible. The only form that Subcontractors would need to complete is their own Vendor Responsibility Questionnaire.</p>
2	7	1.4(10)	<p>Can you elaborate and clarify further on the CONUS requirement?</p>	<p>The CONUS requirement is removed in the revised RFP.</p>

3	7	1.4(10)	Can support activities be conducted off-shore, if needed?	The CONUS requirement is removed in the revised RFP
4	7	1.4(10)	Is the CONUS requirement only for core processing and data storage?	The CONUS requirement is removed in the revised RFP
5	7	1.4(10)	Will offeror have an opportunity to detail our CONUS operating posture and mitigation procedures?	The CONUS requirement is removed in the revised RFP
6	7	1.4(10)	There are various provisions in the RFP requirements that prohibit the viewing, storing, or access of Confidential Information outside the Continental United States (CONUS) or similarly that all work under the contract be performed in the United States. Given the broad definition of confidential information proposed that encompasses all information received from the State, such prohibitions effectively do not allow banks with any operations, even back office operations, outside CONUS to bid. In other bids for banking services last year from State agencies (DTF and OSC for example), the State did not have a prohibition as a requirement, but instead required that proposers submit detailed information on how the proposer protects the State's Confidential Information regardless of where it may reside. Will the State consider changing the prohibition from a requirement to a bid into a preference given the RFP already asks for detailed information to allow the State to evaluate bidders Information Security practices comprehensively (and not solely on the basis of whether the Bank has operations outside CONUS)?	The CONUS requirement is removed in the revised RFP

7	8	1.5	<p>If for some reason DCS is not able to provide answers to question by March 15, we ask that the proposal deadline be extended by the same number of days the answers are late please. This is because many of the answers we seek are key to how we will develop our solution therefore we will be stalled until answers are provided. Is this acceptable?</p>	<p>The Department has extended the proposal deadline to April 30, 2021.</p>
8	12	2.1(6)(a)	<p>Due to COVID 19 precautions and the potential for unforeseen delivery delays, will the Department accept the Proposal in electronic format sent via email?</p>	<p>No. Hard copies of the Proposals must contain original signatures. Therefore, electronic submissions are not acceptable.</p>
9	12	2.1(6)(a)	<p>In light of the pandemic, will DCS forgo:</p> <ol style="list-style-type: none"> 1 Paper - and instead accept an email of the proposals via secure e mail which can then, with ease, be distributed to the team at DCS earmarked to review the proposal. 2 Original Signatures (if you stand firm on wanting hard copies). We ask because with people and printing all in different locations it is extremely difficult to provide original signatures. 3 USBs – and instead accept an email of the proposals via secure e mail which can then, with ease, be distributed to the team at DCS earmarked to review the proposal. <p>Are any of these requests acceptable?</p>	<p>No. Hard copies of the Proposals must contain original signatures. Therefore, electronic submissions are not acceptable.</p>

10	12	2.1	Given the pandemic and our team not being in an office setting, are electronic signatures permitted to minimize handling and shipping of documents?	No. Hard copies of the Proposals must contain original signatures. Therefore, electronic submissions are not acceptable.
11	12	2.1	Due to the pandemic: -Our printing capabilities are limited -There have been ongoing shipping delays Would you consider an electronic submission of the Technical, Administrative and Financial proposal?	No. Hard copies of the Proposals must contain original signatures. Therefore, electronic submissions are not acceptable.
12	15	2.1(7)(d)	We see this clause being carried forward in RFPs but it is always negotiated. NYS has customarily agreed to allow certain bank documentation provided in proposals to fall last in order of precedence in contracts. Banks are highly regulated and must have certain agreements in place to align regulations as well as product functionality and roles and responsibilities. We plan to include the documentation we require in the proposal and would look forward to negotiating same in good faith as is customary with NYS contracts. The documents would include a Terms and Conditions Agreement which would cover services offered, HIPPA Addendum, Deposit Agreement and Signature Card sample. Is this approach acceptable? We have never seen a case where it was not.	Please see amended language in RFP section 5.2(1)(f) regarding the submission of these documents.

13	21	2.2(1)(b)	We can agree to highlight sections we want redacted (so that you can see below the highlight) but do not have access to the Adobe functionality you specify. Is this acceptable? We have never had a problem with that approach in the many decades of responding to NYS RFPs.	Yes. Highlighting information in the version of the proposal that contains requested redactions is an acceptable substitute for using the Redaction Function in Adobe Acrobat Professional software.
14	24	3	Will credit card payments accepted through the website, be initiated by individual employees as well as PEs and PAs? Can you provide a breakdown of the anticipated volumes from PEs, PAs and individuals?	Credit card payments are expected to be made by individuals. The workload estimates in section 7.3(1)(a) of the RFP is the projected volume payments expected from individuals. However, PAs and PEs will not be prohibited from making payments by credit card.
15	24	3.1(1)(a)	You mention a box that accepts credit cards. Are you looking for us to setup a portal to accept credit cards? If so, are you wanting to accept all cards or to exclude Amex?	Section 3.1(1)(h) of the RFP requires Offeror to "Enable Enrollee to initiate credit card payments on Offeror-hosted web application". This section was amended to require the Offeror to accept MasterCard and Visa but encourages the Offeror to accept payment by as many major credit cards as possible.
16	24	3.1(1)(a)	Can you elaborate on Receivable System? Can Receivable System be composed of more than one processing stream or combination of several systems? Is this system "all inclusive" to all payment methods?	Yes, it can be composed of more than one processing stream.

17	24	3.1(1)(a)	Is more than one receivable system acceptable? (e.g. one system to process debit cards, credit cards, e-checks, another to process ACH through online systems, and another preprocess consumer payments)	Yes, more than one receivable system is acceptable.
18	24	3.1(1)(a)	How are you posting the ACH Credits that you receive today?	Currently, ACH credits are manually posted to accounts by Department staff. The intent is for the next contract vendor to have the ability to use the Transaction Files to transmit account information to the Department for automated payment posting.
19	24	3.1	Please explain if how the Department handles non-processable items? Is mail currently sent back to the Department?	<p>The current vendor either mails non-processable items to the Department or makes images of such items available to the Department on its website for processing.</p> <p>Section 5.1(b) of the RFP is asking Offerors to describe how they will deal with non-processable payments because the intent is not to continue the current process under the new contract.</p>

20	24	3	What is the Department's monthly average balance?	The Department's balance of approximately \$500 million per month is swept daily into the State's general checking account.
21	24	3.1	What items are currently imaged? Check, remittance, Envelope?	The following items are currently imaged: Checks/Money Orders, Remittance Forms, and correspondence
22	24	3.1	Can the Department provide a sample bill?	Yes. Examples of an enrollee remittance slip and a NYSHIP agency remittance slip are posted on the Department's website with the responses to Offerors' questions.
23	24	3.1(1)(a)	How do you post debit card and credit card payments?	The Department does not currently accept debit card or credit card payments. This will be a new process.

24	24	3.1(1)(a)	Do any of your enrollees and agencies make direct payments using debit cards, credit cards, e-checks, and ACH to a web-based portal?	The Department does not have a web-based portal to accept payments. The only web-based payments currently accepted by the Department are payments made via online BillPay. The online BillPay payments are facilitated through an agency's or enrollee's financial institution.
25	24	3.1(1)(a)	Are any enrollees and agencies payments received directly by NYS Civil Service? If so, how are they deposited?	Yes. The Department currently uses Remote Deposit Capture Scanners to facilitate deposits for payments directed to the Department. The intent is to have the next contract vendor process all payments.
26	24	3.1(1)(a)	Electronic Lockbox - There are many steps that can be taken to funnel your payors to a hosted website to make payments. Are you open to creating a robust payment collection portal and promoting its use by taking simple steps such as listing the site on bills, etc.? This could negate the need for the Concentrator service if in fact you are using that type of service (we are not sure). Would you be open to forgoing the Concentrator service and focusing on the payment collection gateway? Also, you are receiving the majority of payments via checks still. The creation of a strong payment collection gateway may improve the migration of electronic payments if a strong gateway is established and promoted.	Yes. The Department is open to any solutions that an Offeror proposes that meet the requirements of the RFP.
27	24	3.1	Paper Lockbox – 1. Where is the current lockbox located? 2. What percent of payments come from businesses versus consumers? 3. Can you please provide an example of the remittance	1. Cincinnati, OH. 2. On a monthly basis, approximately 9% of payments come from agencies and approximately 91% come from enrollees.

			<p>statement/coupon that gets scanned?</p> <p>4. Please provide examples (images) of the mail and any included items (envelopes, paperwork, documents, invoice, bills, forms, typical check stubs (if any) along with exact information regarding processing instructions, imaging requirements and data characters that must be captured for posting please.</p> <p>5. What data elements need to be captured in case of a remittance without a coupon?</p> <p>6. What percentage of remittance are scannable on high speed versus low speed scanners (this is an important question that your current provider can answer).</p> <p>7. What is the speed/specs of the high speed scanner?</p> <p>8. Related, what percent of payments come with check stubs attached which would prevent high speed scanning due to the extra weight?</p>	<p>3. Examples of an enrollee remittance slip and a NYSHIP agency remittance slip are posted on the Department's website with the responses to Offerors' questions.</p> <p>4. The information that will be used for the Department to post payments is reported to the Department in the format layout in the transaction files. Please see Attachment #16 and #17.</p> <p>5. For enrollees, unique 10-digit Direct Pay (DP) billing numbers are used. For agencies, unique 5-digit agency codes are used.</p> <p>6. Remittance slips are currently scanned by low speed scanner processing at top speed 30 documents per minute (dpm).</p> <p>7. Current vendor does not use a high-speed scanner.</p> <p>8. This information is not available.</p>
28	25	3.1(1)(c)	Please provide a sample of the remittance document.	Examples of an enrollee remittance slip and a NYSHIP agency remittance slip are posted on the Department's website with the responses to Offerors' questions.

29	25	3.1(1)(h)	Do you utilize an Interactive Voice Response (IVR) payment system today? If so, how many payments do you receive per month?	No. The Department does not currently utilize an IVR payment system.
30	25	3.1(1)(h)	Electronic Lockbox - you note offeror-hosted web application (with a landing page on Department's website) OR offered hosted IVR. Do you want both the web app and IVR or just one or the other of these solutions? For the IVR do you need us to provide the 1800# or will you supply your own? It is important bidders know the answers to these questions in order to understand and price the solution. If you want to see pricing for these various options, the pricing grid would need to be modified to reflect the options. Be sure you are clear so that when you review pricing from the various bidders you are comparing apples to apples.	The Department's seeks a web application. Please see revised RFP.
31	25	3.1(1)(h)	Will DCS want to offer the user the ability to see a copy of the printed bill or provide the information about what is due on the bill through a customer information file?	No. As noted in section 3 of the RFP, the Offeror is only expected to maintain the Lockboxes and process payments. The Offeror is not responsible for making billing information available.
32	25	3.1(1)(h)	Will DCS want the user to have the ability to register and/or make guest payments?	Section 5.1(d) asks Offerors to describe the web application through which payees will be able to initiate credit card and debit card payments. The Department does not have specifications regarding how the web application is set up, including whether

				or not payees are able to register or make guest payments.
33	25	3.1(1)(h)	For IVR users, will the users be transferred from a DCS IVR to a bank hosted IVR, via a customer service rep transfer or dial direct into a bank hosted IVR?	Please see revised RFP.
34	25	3.1(1)(i)	“Work with the Department to establish a landing page on the Department’s website so enrollees and agencies can access debit card and credit card payment services; “and” ...is this a typo? Should there be additional information after and?	No. This is not a typo. The word “and” signifies that the Duties and Responsibilities in section 3.1(1) include each item labeled a through h.
35	25	3.1(1)(j)	In the event a deposit was made late (when that happens which is rare it’s generally is some sort of system glitch and the delay is at most one day), we would agree to credit you for the lost earnings credit related to the delayed credit for the number of days it was late. That is, we will make you whole. We would not agree to a 500.00 fee which does not reflect the economic value of the error should one occur. Is this acceptable? This has been historically acceptable even with very large tax processing contracts with NYS.	The penalty will not be changed but please note the application of the penalty is permissive which means there may be instances in which the Department decides its application is not necessary.

36	25	3.1(1)(j)	<p>"Any determination of either delay or circumstance beyond the Offeror's control will be at sole discretion of Department." In response to this clause we would offer that a standard Force Majeure should lead on this topic and that determining what constitutes a valid unforeseeable circumstance should not be at the sole discretion of the NYSHIP. We are in the midst of a worldwide pandemic therefore there is sensitivity and appropriate resistance to these types of clauses that don't provide for balance. Would you be open to negotiating this language?</p>	<p>In pertinent part, Section 3.1(1)(j) states that "[a]s determined in the Department's sole discretion, for each instance where the Offeror does not..." There is no language regarding unforeseen circumstances. Force majeure language is set forth in Appendix B section 9, detailing its application. The process for identifying non-material bid deviations is set forth on page 14 of the RFP.</p>
37	27	3.3(1)(a)	<p>The Bank would request a time limit for any Transition period to be set forth in the contract (for example, not to exceed 180 days). Is this acceptable?</p>	<p>Please see revised RFP language regarding the transition period requirement.</p>
38	27	3.3(1)(b)	<p>We see this language in every RFP. We would like to clarify that we always work hand in glove with NYS during the end of a contract when NYS is transitioning away from us and to another provider. That said, after the contract expires, we can agree to leave accounts open and you can continue the use of CashPro until such time as any outstanding checks that had been issued before contract maturity have cleared, etc. In other words, post contract expiration "activity" is related only to the winding down of the old contract. New activity is not permitted because the contract has matured. We can agree to provide for a contract maturity date extension. That would solve for the need to truly continue to use bank services longer than the original contract contemplates. Is this acceptable? Recommend we build in the ability to extend for one year with approval of both parties. With</p>	<p>The Department's expectation is the transition period will entail "winding down" activities such as mailing checks back to the Department that were sent to prior Offeror erroneously by enrollees. Such activity does not necessitate a contract extension.</p>

			banking regulations, we cannot allow clients to continue to use services when a contract has expired. I think with the proposed clarifying language regarding what can occur post maturity and the option to extend for one year we will be addressing NYSHIP's needs. Do you agree?	
39	31	4.7	We recommend that insurance provisions and details be negotiated post award. We have extensive experience in negotiating insurance provisions with NYS and not once in decades have we ever experienced any issues. We will put forth our insurance clarifications and modification to your clauses in our proposal Is that acceptable?	Non-material clarifications and modifications to the insurance provisions must be submitted through the bid deviation process as described on page 14 of the RFP.
40	41	5.2(1)(d)	We do have recon tools whereby we would show you lockbox payments we are unable to reconcile. You would see the images online and be able to decision them that way. This service is excellent but has additional costs. If you wish to consider it you may want to ask Bidders to show you the monthly extra cost for such a service or you could make it a requirement for all bidders ensuring you are comparing apples to apples.	The Department will not entertain any cost basis other than those identified on the <i>Schedule of Fees</i> (Attachment 14). Recon tools are not a requirement. If a bank wants to offer recon tools as part of its proposal, such costs must be included within the existing fee schedule.
41	42	6	How many accounts are required? What level of balances are maintained in each on average? Do you ever have carry forward of earnings credit? If so how often and in what amount? We get the impression you are for the great majority of time paying direct fees. Is that correct?	The RFP requires a single account. All banking deposits, which averages about \$500 million per month, are swept daily into the State's general checking account Although there have been instances where Earnings Credits have surpassed assessed charges, Earnings

				<p>Credits are not currently carried forward with our present vendor.</p> <p>In the first couple of years under the current contract, Earnings Credits regularly offset our monthly charges; however, in recent months due to the impact of the pandemic on the economy the account has not been earning enough interest to offset the charges and therefore the Department has paid direct fees.</p>
42	42	6	Will you work with the bank to ensure excess balances are not maintained that would lead to the carry forward of excess balances?	As noted in Section 6 of the RFP, the Earnings Credit is calculated from the average monthly balance and not the excess balance. Please note, the carry forward of Earnings Credits will only be used to offset assessed fees. The Offeror will not be required to remit payment for any remaining excess Earnings Credits at the end of the contract.
43	45	7.1	Can the Department please elaborate on the ACH Payment volume of 25? Who originates these payments? Does the Department anticipate that this volume will increase over the five-year contract term?	Currently, the Department receives ACH payments from approximately 20 agencies and one contracted vendor. The expectation is for these ACH payments to be transitioned to online Bill Pay under the new contract. Therefore, the volume of ACH payments is expected to decrease.

44	45	7.3(1)(a)	How many debit card and credit card payments do you receive per month?	None. Debit card and credit card will be new payment methods for the Department. Therefore, the monthly transaction volumes are estimated in section 7.3(1)(a) based on enrollee demographics.
45	45	7.3(1)(a)	Electronic Lockbox - Electronic Deposits of 1,675. In the footnote you indicate these are "bill pay" enrollees. We are not sure what this means. Are you saying that NYSHIP has set them up for automatic debit from their banking account and credit to yours when payments are due? Or are you using what is called a concentrator service whereby consumer payments made by the consumer via their personal bank are collected, consolidated and then credited to you? You note that the 1,675 represents ACH payments and "bill pay". Can you break out how many of each please?	NYSHIP is not setting up the Bill Pay process. Bill pay references an electronic payment facilitated online through an enrollee's or agency's financial institution. The reported 1,675 count represents the monthly number of payments made via bill pay. The average number of monthly ACH payments is reported separately in the RFP (count of 25).
46	47	8(1)	The Bank is generally able to agree that all work is performed in the US with the exception that our payment collection portal vendor has software developers and engineers in India which is not unusual. Is this acceptable?	The Department has amended the CONUS requirement in the RFP.
47	47	8(3)(a-k)	Because we are processing only premium payments, we do not believe that all of these HIPPA terms apply and we would like to discuss that. We do not want to take on regulatory topics and requirements that are not applicable. Please describe exactly what HIPPA items we will have access to when payors are paying their insurance premium bills. We are accustomed to HIPPA regulations when dealing with medical billing and insurance claims but NOT with the processing of insurance premium payments. We	Information to be provided includes but is not limited to enrollee name, address, insurance status, insurance type and unique identifier. The Department does not concur with the position expressed that the HIPAA regulations do not apply.

			are interested in what your thoughts are after reading our feedback. FYI, both our Payment Collection Portal (what you call Electronic Lockbox) and our Lockbox are HIPPA compliant. But again, we do not want a contract with numerous HIPPA terms that may not apply given the services in scope.	Non-material clarifications and modifications to the HIPAA business associate language provisions must be submitted through the bid deviation process as described on page 14 of the RFP.
48	48	8(3)	Bank of America's written policies and procedures provide for periodic evaluation and monitoring of its compliance with HIPAA laws and regulations. Under the foregoing, if and to the extent Bank of America provides financial services to a Covered Entity pursuant to which the Bank has access to PHI, and such financial services are not otherwise exempt from HIPAA under other applicable laws or regulations, the Bank maintains the privacy and security of PHI in accordance with all applicable HIPAA requirements and our HIPAA Addendum for the Privacy and Security of Protected Health Information which supplements our Treasury Services Terms and Conditions agreement. We are happy to include this document in our response, and would negotiate these terms upon award as required. Is this acceptable?	Non-material clarifications and modifications to the HIPAA business associate language provisions must be submitted through the bid deviation process as described on page 14 of the RFP.
49	48	8(3)	What information will you provide us that will constitute PHI? Would you be willing to negotiate a Business Associate Agreement separate from the RFP?	Information to be provided includes but is not limited to enrollee name, address, insurance status, insurance type and unique identifier. The Department declines to negotiate the business associate agreement separate from the RFP process. It must be a part of the resulting contract.

50	Page 3 of Appendix B	5. Notice of Substantial Change in Contractor Status	<p>As a publicly-traded corporation, the bank makes all disclosures required by its regulators, including all required disclosures in its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q, which are updated in Reports on Form 8-K (the "Reports"), all of which are filed with the Securities and Exchange Commission. Those Reports include disclosures as required by federal law and are publicly available. These Reports can be provided upon request or can be accessed at the following website: http://investor.bankofamerica.com/phoenix.zhtml?c=71595&p=irol-irhome.</p> <p>With that understanding, any commitment to separately disclose or provide notice of such material information to any third party may conflict with or otherwise be prohibited by applicable securities laws and regulations, and we would ask that the Department agree that any notice would be subject to such requirements.</p>	<p>Appendix B section 5 obligates a vendor to provide actual, not constructive, notice to the Department regarding substantial changes in a contractor's status. If the question is seeking clarification regarding the timing of the actual notice, such proposed timing change should be presented as a bid deviation in accordance with the RFP provisions. If the question is proposing that no actual notice will be provided, please note that State Finance Law section 138 obligates such actual notification and that the failure to provide actual notification may result in a revocation or annulling of the underlying contract.</p>
51	Page 5 of Appendix B	10. Modification of Contract	<p>The Bank clarifies that it requires the right to update its service offerings generally, and to modify its terms as required by applicable law. Is this acceptable?</p>	<p>This question is unclear. If the question is asking if the Bank may obtain the ability to unilaterally change the terms and conditions of the contract, the answer is no. It is not permissible for the contractor to unilaterally change the terms and conditions of the resulting contract. Modifications to the contract are governed by Appendix B section 10.</p>

52	Page 5 of Appendix B	12. Piggybacking	Due to the nature of our services and applicable laws, the Bank must review and approve the use of our services by another agency or entity. Is this acceptable?	Yes. The piggybacking process specifically requires the approval of the contractor before the terms and conditions of an existing contract may be extended to another entity. Such approval must be in written legal form.
53	Page 7 of Appendix B	17. State's Authority to Conduct Financial and Performance Audits	Is the following acceptable: Upon prior reasonable notice, the Bank will cooperate and provide records for examinations and audits of the records related to the Department and its transactions. Inspections related to information security must comply with the Bank's security requirements.	This question is unclear. The Department is without the legal authority to amend the audit provisions set forth in Appendix A, section 10. The provisions for the conduct of an information security audit are set forth in Appendix C, section 4, not Appendix B. If the question is limited to proposing the inclusion of language regarding the notice and timing of such financial and performance audits by the Department, then yes, such language should be presented as a non-material bid deviation in accordance with the RFP.
54	Page 7 of Appendix B	19. Subcontracting	We offer a wide array of services to our clients. Each service has many features and options. In the course of providing these services we may employ agents, employees or vendors to service all of our clients as opposed to a particular client. In general, we will disclose in a proposal response any subcontractors retained by us exclusively for, and which are dedicated solely to, the provision of services to a specific client and/or contract. We are not retaining any subcontractors in exclusive support of this contract therefore we are not planning to make any subcontractor related disclosures or meet subcontractor related reporting requirements. We will however, identify any vendors who will	RFP section 4.3 sets forth the definition of subcontractor. It provides that such term is defined as those contractors with whom the Offeror subcontracts to provide Project Services and incorporates as part of the Offeror's Project Management Team. Reporting must be made consistent with the requirements of section 4.3. It is unclear whether the description in the question also includes third parties who

			provide material support to the services offered. Is this approach acceptable to the Department? Notably, we take full responsibility for any of our agents, vendors or subcontractors.	are part of the Project Management Team.
55	Page 9 of Appendix B	20. Contractor Staff 27. Confidentiality	While it is inconsistent with bank policies to require individual employees to execute a written nondisclosure agreement directly with our customers, Bank of America is committed to the highest standards of ethical and professional conduct. The Bank's Code of Conduct provides guidelines of business practice, and professional and personal conduct that all associates must adopt and uphold. The Bank notes that no Bank associates would be working on-site at Department locations. The client manager would be happy to address any concerns you may have with respect to an associate assigned to support your agreement. The bank generally must retain control over staffing decisions. Is this acceptable?	Appendix B section 20 does reserve the right for the Department to request execution of a nondisclosure agreement for those Contractor staff that work at a State facility or otherwise have access to critical State resources. As the question states that no contractor staff will work on-site, no further response is provided. Appendix B section 27 does not require execution of a written nondisclosure agreement with the Department. If requested, the non-disclosure agreement may be between the contractor and the employee. It is acceptable for the offeror to propose alternative means by which the confidentiality of information may be maintained via the bid deviation process set forth in the RFP. Please see the RFP for revised language regarding the staffing issue.

56	Page 10 of Appendix B	21. Onboarding and Suitability Determinations	We do not allow clients to conduct background or criminal investigations on our employees or vendors. We are highly regulated and our employees have all undergone background checks upon hire and our vendors are thoroughly vetted. We perform extensive work for NYS and this position has been acceptable. In our proposal we can expand on the Bank's employee and vendor vetting process to ensure DCS is comfortable with the Bank's process. Is this acceptable?	This question is unclear. Section 21 provides that the Contractor is responsible for making the suitability determination at its expense. It would be acceptable for the Offeror to detail its vetting process in the proposal.
57	Page 10 of Appendix B	23. Dispute Resolution	Although the Bank always tries to resolve any issue directly with the customer, due to the unique nature of banking services, the Bank generally requires the right to pursue any actions or remedies available in a court of competent jurisdiction. Is this acceptable?	Section 23 is prefaced by the statement "[u]nless otherwise agreed to in writing by the Parties." It further states that such determination can be appealed to the Commissioner and subsequently to a court. It is unclear what is being asked or what entity would be sued by the Bank. Insufficient information is provided for a further response.
58	Page 11 of Appendix B	24. Indemnification and Limitation of Liability	While we accept liability for direct damages to our customers that result from our failure to provide our services with reasonable care as set forth in our Treasury Services Terms and Conditions, Bank of America is generally unable to give indemnities growing out of treasury management services we provide to our clients. If selected to be your banking services provider we would be willing to offer you mutual non-indemnification with respect to claims by third parties. Would this be acceptable to the Department?	There is insufficient information to respond to this question.

59	Page 12 of Appendix B	25. Warranties and Guarantees and 26. Ownership of and Title to Contract Deliverables	In this response, the bank is offering standard banking services offered generally to banking customers, and no IP development is offered or contemplated. All bank manuals, user guides, software, and existing IP rights will remain the property of the bank. As these sections will not apply to our offering, for avoidance of doubt, can they be deleted from this agreement?	The Department declines the requested change. Section 25 addresses standard warranties and guarantees which apply to the Contract performance regardless if it is standard or customized. Section 26 clarifies the ownership in and title to contract deliverables. It is premature to remove language prior to proposal receipt.
60	Page 17 of Appendix B	30. Termination	The Bank would generally clarify in the agreement that it retains its termination rights in certain situations under its Treasury Services Terms and Conditions. In addition, the Bank would request that it be paid, as agreed in the contract, for all services that were actually performed prior to termination. Would the Department agree to clarify these points in the agreement?	There is insufficient information to respond to the comment regarding additional basis for termination. With respect to the question regarding payment for service actually provided prior to contract termination, please see the RFP for clarification regarding payment for services actually performed prior to termination.
61	Page 21 of Appendix B. and Appendix C	37. Accessibility, 38. Branding and Universal Web Navigation 39. Migration	This provision and the Addendum requires the bidder to be compliant with New York State security policies and standards which are quite specific. The Bank is offering standard banking services offered to treasury customers generally, which include access through a Bank website, and is therefore not able to customize its practices on a per customer basis. Rather, the Bank maintains a written information security program that contains administrative, technical and physical safeguards designed to (i) protect against information security events, and (ii) conform to the requirements of applicable state and federal privacy regulations. The program has information security policies and procedures, including appropriate mitigating controls, that are based on ISO 27002:2005 and National Institute of Standards and Technology (“NIST”) 800-53. We are confident that our information security	Non-material clarifications and modifications to the security provisions must be submitted through the bid deviation process as described on page 14 of the RFP. Please include detailed information regarding the security provisions and any certifications that may be applicable. Please note that Appendix C section 4.2 specifically provides the Department, in its discretion, may accept a comparable industry accepted security assessment certification in lieu

			<p>policies and procedures are substantively consistent with those of the State set forth in Exhibit C, although the actual methods and practices may vary. Will DCS consider variance from the specific requirements, so long as reasonably equivalent protections are in place? Notably, we have previously negotiated mutually agreeable terms with NYS. We would plan to work through the nuances of the variances upon award. This has customarily been acceptable. Is this acceptable to NYSHIP?</p>	<p>of a HITRUST Common Security Framework (CSF) certification.</p>
62	Page 21 of Appendix B	40. Disclosure of Breach	<p>The bank complies with applicable federal and State laws and Regulations. The bank can agree to provide Client prompt, but in no event later than (2) business days of Bank becoming aware thereof, notice of any information security event documented and verified by Bank as part of Bank's standard incident response process that involves, or which the Bank reasonably believes involves, the unauthorized access, use or disclosure of confidential personal information obtained from the Department. The Bank will investigate any breach in accordance with its policies and procedures, but would negotiate details of this provision, which may be specific to the services provided, upon award.</p> <p>The Bank will accept liability for cost of notifications and credit monitoring for 12 months related to a breach only to the extent that such breach is a result of the Bank's negligence or misconduct, and would ask that such liability flow to the cap provided for in paragraph c. page 12 of Appendix B. This approach has been acceptable in past bids. Is this acceptable to the Department?</p>	<p>Please see amended RFP regarding changes to the timing for the notification and the coverage by the limitation of liability provision.</p>

63	Appendix C		<p>Appendix C requires that bidders contractually agree to future policies that may be issued during the term of the contract. For national banks subject to safety and soundness requirements and with their own comprehensive information security practices, such requirements cannot be agreed to, and such requirements have been previously negotiated upon award based on discussions with relevant information security experts from the State and the Bank. Ultimately, both the State and the Bank want to ensure the confidentiality of client data, will the State consider allowing proposer's to note exceptions to such Information Security requirements at time of bid submission consistent with other NYS RFPs recently issued?</p>	<p>Yes. Non-material clarifications and modifications to the information security provisions must be submitted through the bid deviation process as described on page 14 of the RFP.</p>
64	N/A	Attachment 14	<p>For the Payment Collection Portal we need a line item fee for all transactions processed on the site regardless of type. And another line item fee for all transactions process via the IVR. Those are in addition to the line items you provided for ACH, credit card and debit card. Notably, if we are to provide the 1800# there would be pass through charges related to usage (an example is the length of calls).</p> <p>For lockbox pricing, we respectfully ask you add one line item for every coupon processed. And please confirm that Non-Electronic Deposit is the per item fee for each lockbox check processed and deposited.</p> <p>Please define what you mean by Electronic Deposit. This goes back to our earlier question on this topic. Are you debiting payors' accounts for premium payments? We would consider these simple ACH transactions? OR are you using Concentrator Services (consumer payments made by the consumer via their personal bank are collected, consolidated and then credited to you)? If you do both, each needs its own line item as they are vastly different services.</p>	<p>Attachment 14 (Schedule of Fees) requests fee quotes for a monthly maintenance fee and a per transaction fee for all transactions that impact the respective lockboxes. As such, the RFP is already meeting the request for one line item for each coupon processed.</p> <p>Yes, the Non-Electronic Deposit is the per item fee for each lockbox check processed and deposited.</p> <p>As noted in Section 3.1(1) of the RFP, Electronic Deposits refer to all payments received in the Electronic Lockbox, including direct payment by debit card, credit card, e-check, and ACH through online banking accounts.</p>

				The Department considers debiting a payor's account for premium payment an ACH transaction.
65	N/A	Attachment 14	<p>Your pricing schedule does not lend itself to credit card processing fees especially given it's a new service for you therefore we cannot with certainty predict volumes. Bidders can offer tiered pricing with the following tiers for credit card authorization fees and recommend you ask all bidders to work with these same tiers so that you will be able to compare offers:</p> <p>Tier I: 0-250,000 transactions: price per authorization Tier II: 251,000-500,000 transactions: price per authorization Tier III: 501,000-1M: price per authorization Tier IV: 1M and greater: price per authorization</p> <p>The same tiers above would also apply to PINless signature debit. NOTE: Interchange qualifications and costs for interchange will vary based on many factors including card type. For example, debit transactions will qualify at a different interchange rate versus other card types such as rewards cards, gift cards, prepaid cards, consumer credit cards, etc.</p> <p>Below are additional credit card processing fees that the industry charges based on usage which will be passed on to NYSHIP:</p> <ul style="list-style-type: none"> • Chargeback – (per chargeback): \$ - to be shown in bid • AVS - \$ - to be shown in bid 	<p>As stated in the provisions of Section 6 of the RFP, Offerors must incorporate all costs associated with the delivery of Project Services within the monthly maintenance and per transactional fee construct of the RFP.</p> <p>Also, please note, Section 7.3(1) of the RFP shows total transaction count does not exceed 250,000 per year. This low transactional count does not require a Tiered approach to reimbursement.</p> <p>With regard to additional credit card processing fees; as noted in amended section 6 of the RFP, all costs associated with the requirements of this RFP must be incorporated into the categories shown in the Schedule of Fees (Attachment 14). As such, the Offeror must build a per transaction fee structure to cover all fees incurred from any method of payment accepted by this RFP.</p>

			<ul style="list-style-type: none"> • Voice Authorization (per voice auth): \$ - to be shown in bid • ACH Reject (per reject): \$ - to be shown in bid <p>As is customary for all providers of credit card processing, Interchange and card organization/association fees will also be passed through to NYSHIP WITHOUT markup. We will propose interchange pass-through NET; meaning that for refunds, NYS would get a portion of the interchange costs back.</p> <p>Again, we know you want bundled pricing and we are accustomed to dealing with such parameters but credit card processing just does not lend itself to that method of pricing. Is this acceptable? This is a topic where we would not be able to bid if in fact NYSHIP cannot agree.</p>	
66	N/A	N/A	What billing system does DCS use?	The Department utilizes PeopleSoft applications to generate the bills that are mailed to enrollees and agencies. Enrollees and agencies remit payments to our current vendor by check/money order, or ACH.
67	N/A	N/A	Can the Department provide a copy of their current analysis statement?	Redacted versions of 12-months of analysis statements are posted on the Department's website with the responses to Offerors' questions.

68	N/A	N/A	Does the Department currently pay banking fees?	<p>Yes. The Department is invoiced by the current vendor for all banking fees that surpass Earnings Credits for a given month. Specially, these fees are per transaction fees for checks and ACH deposits under the current contract. The Department is also assessed flat monthly fees for one Electronic Lockbox and two remote scanners. The Department expects to pay per transaction fees for debit and credit card payments under the new contract.</p>
69	N/A	Negative Interest Rates as a possibility	Contractor reserves the right to include the following line item fee entitled "Balance Related Fee" on Account Analysis Statements as a result of market conditions (e.g., interest rates turn negative) or for other reasons (e.g., costs). Such a fee would not require the consent of NYSIF but would be at the sole discretion of Contractor.	<p>While not phrased as a question, if this comment is asking if the Offeror may amend Attachment 14 to add a new fee, the answer is no. Amendment of Attachment 14 is not permitted under the RFP.</p> <p>See Appendix B section 10 for the language regarding the modification of the resulting contract.</p> <p>With regard to the concern about negative interest rates, section 6 of the RFP notes, the Department will reimburse the Offeror the net difference of the monthly fee payment after application of the Earnings Credits.</p>

70	N/A	N/A	<p>Given the unique nature of credit card processing (it being a form of lending) and VISA/MasterCard rules, contracting for these services is unique and less flexible. The actual acceptance of credit and debit cards and related services, if provided by Bank of America, will require a separate contract entitled a Merchant Agreement between NYSHIP and Bank of America, or one of its affiliates, and such contract will contain the required terms and conditions for the services provided. We will provide a sample agreement with our proposal and look forward to reviewing and negotiating same upon award. Is this approach acceptable?</p>	<p>Yes, but the Department cannot agree to any extraneous fees other than those listed on Attachment 14 (Schedule of Fees).</p> <p>Please see the amendments to RFP section 5.2(1)(f).</p>
71	N/A	Misc.	<p>Please provide a summary analysis statement provided by your current bank for a one year period (they should already provide this or can upon request). If they cannot, please provide an analysis statement for each of the past 12 months. The prices can be redacted. Non-incumbent banks truly need this in order to be able to understand your work and to be able to price with confidence. To not provide the non-incumbent banks with the insights the analysis statement will provide would be to disadvantage them relative to the incumbent who understands with clarity all nuances to service usage. One small example is you require reclearing service for returned items but we have no idea how many reclears you require per year. The statement will also provide deeper lockbox usage insights – this is important given you ask for bundled pricing (bidders need to know what they are pricing).</p>	<p>Redacted versions of 12-months analysis statements are posted on the Department's website with the responses to Offerors' questions.</p>