

REQUEST FOR PROPOSALS (RFP)
STATE OF MARYLAND
DEPARTMENT OF HUMAN SERVICES
(DHS)
MD STATE DISBURSEMENT UNIT SERVICES
RFP NUMBER: CSA/SDU/24-001-S
QUESTIONS AND RESPONSES SERIES # 5
July 11, 2024

Q #	RFP Section	RFP Page #	RFP Language	Comment/Clarification/Question
1.	General			Would the State consider adding a tab at the end of the technical proposal (i.e., Tab P) so that Bidders can include draft deliverable plans in one tab?
Response: Offerors may add the additional Tab if needed.				
2.	General			We will be submitting some pre-existing documents (e.g., financial reports) that have existing page numbering and some pages may not be numbered. Because these are long and complex documents, may we leave them unaltered and exclude them from the sequential numbering requirement?
Response: Yes				
3.	What is the current ECMS and version that is used by the MD CSA?			

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Response: ECMS V.10.0. This ECMS software is proprietary to CSMS / MDTHINK				
4.				Can CSMS receive more than one collection file transmission per day?
Response: We currently receive one collection file per day as our batch process is run once nightly. There is no benefit to send the files multiple times throughout the day.				
5.				Please clarify 2.3.19 where it appears to have conflicting subsections. Section “A” that implies proposed hardware software and hosting services may be purchased by CSA through another source, yet sections B- H imply that contractor would be responsible for all installation, configuration management, hardware/software updates of the proposed SDU solution even if CSA procured it from other source than contractor.
Response: The contractor remains responsible for proposing, installation and configuration of the hardware and software proposed. The Department reserves the right to examine for cost efficiencies.				
6.				General: What is the anticipated transition start date and go live date?
Response: Transition in will begin upon receipt of the NTP, after approval of the Contract				
7.				Section 2.3.3.G, RFP p. 9: What is the average daily volume of unidentifiable payments?
Response: Daily average = 11				
8.				Attachment B: <ul style="list-style-type: none"> a. Should the RFP Sections referenced for items #1-3 Payment and Local Mail Processing be 2.3.3 vs. 2.3.4, as currently listed? If not, please confirm the correct RFP Section reference? b. Should the RFP Sections referenced for items #4-5 be 2.35 and 2.36 vs. 2.37 and 2.38 as currently listed? If not, please confirm the correct RFP Section reference? c. Should the RFP Sections referenced for items #7-9 be 2.3.3. L, M and K, respectively, vs. the 2.3.5 K, L and M currently listed? If not, please confirm the correct RFP Section reference? d. Should the RFP Section referenced for items #12-14 be 2.3.3 N 5 vs. the currently listed 2.3.4 N 5? If not, please confirm the correct RFP Section reference? e. Could the State provide historical actual volumes for the prior three calendar years (2023, 2022, 2021 and 2024 YTD) to align with each of the following line items from the pricing template? Having actual historical transaction volumes will help the Bidder to more accurately estimate profitability and thereby provide competitive pricing. <ul style="list-style-type: none"> i. Manual (Paper) Payment Processing: 2022: 424,956 2023: 359,889 2024: 168,559 ii. Electronic (EFT/ED) Payment Processing: 2022: 1,758,877 2023: 1,617,226 2024: 834,326 (THIS IS ONLY EFT/EDI) iii. Local Office Mail Processing: 2022: 613,288 2023: 556,716 2024: 255,132

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iv.	Electronic Payment Enrollment:		THESE ARE TOTAL ENROLLED PAYING: 2022: 1,595,292 – 2023: 1,516,256 - 2024: 784,564	
v.	Direct Deposit Enrollment:		2023: 4592 - 2024: 2870	
vi.	Direct Debit Requests:		2022: 162,644 – 2023: 155,972 – 2024: 78,713	
vii.	NSF Funds Payments		2022: 1,009 – 2023: 1046 – 2024: 555	
viii.	Recoupment/Receipt Adjustments:		2022: 1178 - 2023: 1139 - 2024: 497	
ix.	Stop Payment Requests (STATE SIDE, NOT PROCESSED BY VENDOR), Void Requests (SAME AS RETURNED CHECK PROCESSING), Payee Disbursement Hold, Releasing Funds in Escrow, Returned Check Processing:		2022: 5299 (RETURNED CHECK PROCESSING ONLY) – 2023: 10,283 – 2024: 16,740 (THIS NUMBER HAD A SUBSTANTIAL INCREASE IN THE FIRST 5 MONTHS OF 2024 DUE TO THE NUMBER OF RETURNED CHECKS. MARYLAND TRANSITIONED TO A NEW PRAID CARD SERVICE AT THAT TIME AND EXISTING CUSTOMERS TEMPORARILY RECEIVED CHECKS. MANY CHECKS WERE RETURNED DUE TO BAD ADDRESSES. THIS NUMBER HAS SUBSEQUENTLY LEVELED OFF TO PREVIOUS VALUES.)	
x.	Employer Electronic Payment Enrollment Kits/Notices:		2022: 11,684 – 2023: 10,934 – 2024: 5,565	
xi.	NCP Electronic Payment Enrollment Kits/Notices:		2022: 9,644 – 2023: 11,753 – 2024: 5,325	
xii.	Postage:		2022: 21,292 – 2023: 22,690 – 2024: 10,142	
f.	Could the State provide samples of the Employer Electronic Payment Enrollment Kits/Notices and NCP Electronic Payment Enrollment Kits/Notices including all printing specifications (page size, color, number of pages, minimum dpi, if applicable)			
Response: Attachment B has been revised. DHS historical numbers are in read and are represent the best information available and may not be indicative of future activities.				
The current enrollment kits and notices will not be provided. The awardee will work with the Department to develop new kits and notices.				
10. In Questions and Responses Series #3, Q#23-24: When performing the daily audit review of not less than 10% of the documents, are these only a review of the non-payment documents received? The State responded with, “What section is this referring to.” We are referring to RFP Section 2.3.3 SDU Functions, B. Mail Processing, Opening, Sorting and Batching, #8: “Perform a daily audit review on no less than 10% of the documents to ensure they are being sent to the correct jurisdiction and have the correct category/type. The results of the review and file images shall be transmitted to the ECMS by close of business of each day.”				
Response: Yes, this is a review of documents received (not payments).				
11. In Questions and Responses Series #3, Q#53: The State addressed two of our questions regarding insurance but omitted answering our question #53. In order to confirm compliance with the RFP requirements regarding insurance, and to provide accurate pricing, we are requesting clarification on the Cyber Security / Data Breach Insurance coverage amount since there was a conflict between the written and the numerical value presented. Vendor would like to clarify that the State will accept \$5 million in Cyber coverage, and whether the State will accept a policy that is per claim rather than per occurrence?				

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Response: The coverage required is \$5,000,000 per occurrence.				
12. Questions and Responses Series #3, Q#30: The question asks for historical statistics on the quantity of electronic and paper receipt transactions for each year to include calendar years 2022, 2023 and YTD 2024. The response states “Already Provided”. However, upon review of the RFP and amendments issued to date, the statistics for calendar year 2022 and YTD 2024 have not been provided. In order to provide accurate pricing, this information is important. Could the State provide this missing statistical information?				
Response: For historical purposes only: 2022: 2,312,080 2023: 2,174,251 2024: 1,103,130				
13. Questions and Responses Series #3, Q#31: The question asks for historical statistics on the total receipts dollar amount for each year to include calendar years 2022, 2023 and YTD 2024. The response states “Already Provided”. However, upon review of the RFP and amendments issued to date, the statistics for calendar year 2022 and YTD 2024 have not been provided. In order to provide accurate pricing, this information is important. Could the State provide this missing statistical information?				
Response: For historical purposes only: 2022: \$466,830,834 2023: \$435,023,452 2024: \$230,673,928				
14. Questions and Responses Series #3, Q#32: The response states that the State is responsible for reimbursement for the payment of the 6 PO Boxes to the vendor, however there is no reimbursement line item in the pricing template for PO Boxes. Please clarify the process in which the State will reimburse the cost of the PO Boxes to the vendor and please provide the current cost for all 6 PO Boxes so that the Bidder may provide accurate pricing.				
Response: Once the vendor has remitted payment to USPS, an invoice is submitted to the State for reimbursement. This is currently done internally via an onsite approval process, then submitted to the Central Procurement Office electronically and follows an approval process for reimbursement / payment.				
Payments currently (subject to USPS Rate Change) are as follows, annually: \$388.00, \$388.00, \$400.00, \$1780.00, \$1780.00 and \$1800.00				
15. Questions and Responses Series #3, Q#33: The response states that the sample of the Recoupment Packet will be provided during transition. In order to provide accurate pricing, the Bidder requests that the State reconsider this timing and provide a sample in a proposal amendment.				
Response: See Attached Recoupment Letters.				

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16.	Questions and Responses Series #3, Q#35:		The response states that the sample of the NMSN documentation to be scanned will be provided during transition. In order to provide accurate pricing, the Bidder requests that the State reconsider this timing and provide a sample in a proposal amendment.	
Response: The NMSN documentation is part of the regular LOM file. Pricing is the same for any other LOM document.				
18.	Questions and Responses Series #3, Q#38:		There is no response to questions 38.b. or 38.d. In order to provide accurate pricing, the Bidder requests that the State provide this information in a proposal amendment.	
Response: 38B: 2021: VENDOR MISAPPLIED: 49 total payments 2022: VENDOR MISAPPLIED: 26 total payments 2023: VENDOR MISAPPLIED 33 total payments. This is a very low misapplied vendor rate.				
The percentage of recoupment rate is low, typically less than 1% for misapplied by vendor. PLEASE NOTE: The vendor funds the state's account for misapplied payments. The reimbursement to the account is only for the misapplied payment amount. There is no billing by the vendor to the state for this process.				
38D: This was answered in Question and Response #6; Question #9.				
19.	Amendment 2 indicates that the Total Receipts Number for 2023 is 2,174,251.		Will you please confirm that number? It seems very low compared to the other years of data provided. It also is not in line with the estimated volumes on the pricing form.	
Response: Yes, this number is correct.				

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Procurement Officer

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