

# NYS WIC Banking Services

## RFP #0707020130

### Questions and Answers

Question #	RFP Page	RFP Reference
<b>1</b>	11	<p><a href="#">B.3.b. Check Processing Files</a></p> <p><b>Q.</b> “Each night a Check Issuance File and a Vendor File are transmitted, separately, to the Banking Contractor encrypted (3TDES) VPN terminal”</p> <p>Would the State be open to a different method of file and electronic report delivery? Would the State consider a secure FTP site as a viable option to the encrypted VPN terminal?</p> <p><b>A.</b> The State is adopting Secured FTP using AES 256 bit encryption. We will consider alternatives as long as they are feasible in our environment and it provides the same or higher level of security.</p>
<b>2</b>	13	<p><a href="#">C.2.a.i) Account Structure and Maintenance</a></p> <p><b>Q.</b> Statement is made that one account will be used for funding solely the payments of WIC checks and shall not be commingled with any other monies.</p> <p>Since the Special Formula Food Instruments (SFFI’s) Section 2.i is a voucher and not a WIC check, how will the SFFI’s be funded?</p> <p><b>A.</b> SFFI’s are also food instruments and will be funded in the same manner as regular WIC checks from the same account.</p>
<b>3</b>	13	<p><a href="#">C.2.a.iv) Statements of Transactions</a></p> <p><b>Q.</b> RFP STATES: “By 10:00 AM daily, the contractor must inform OSC of the amount needed to fund the WIC account to a zero balance for that day.”</p> <p>Would OSC accept notification of daily funding requirements as late as 1:30 PM ET?</p> <p><b>A.</b> According to the Office of the State Comptroller, we need to stay with the 10:00AM notification for the State's daily cash position to properly invest funds in a timely manner. This is the standard reporting time for controlled disbursement accounts. All other adjustments/presentments should be held over until the next business day.</p>

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4	15	<a href="#">C.2.c. Vendor File Maintenance and Update</a>
		<p>Q. Would the WIC Program be willing to provide the contractor with a complete vendor file listing on a nightly basis rather than sending only updates?</p>
		<p>A. Yes, this can be done.</p>
5	16	<a href="#">C.2.d.v) Check Digit</a>
		<p>Q. Please provide the required check digit algorithm.</p>
		<p>A. MOD 9DR</p>
6	17	<a href="#">C.2.h.i) Flagging and Paying Reimbursement Items</a>
		<p>Q. Can the WIC Program provide a monthly estimate for the number of checks submitted directly to the contractor by the vendor?</p>
		<p>A. As shown in Attachment 18 of the RFP, the monthly volume of reimbursement submissions (items sent directly to the P.O. Box for Contractor pick-up) is approximately 11,700 items.</p>
7	17	<a href="#">C.2.h.i) Flagging and Paying Reimbursement Items</a>
		<p>Q. "Checks submitted for exceeding the maximum amount are paid at an amount calculated using all vendors' historical redemption data for the combination of food commodities on the check."  Does the Contractor calculate the amount to be paid and if so, can the WIC Program provide the calculation formula?</p>
		<p>A. No; the paid amounts for reimbursement items are calculated by DOH and provided to the Contractor via the daily issuance file.</p>

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8	17	C.2.h.i) Flagging and Paying Reimbursement Items
		<p><b>Q.</b> The RFP states that the contractor may propose an alternative method of processing reimbursement items. If this alternative method eliminates the need for vendors to mail in reimbursement items for over the maximum value and expedites vendor payment, would the State be open to making system changes to provide the needed additional information to the Contractor?</p> <p>If the proven alternative that has worked for other WIC Programs is proposed, would the original requirement of processing reimbursement checks for over the maximum value then be waived?</p>
		<p><b>A.</b> The proposal would need to be evaluated, but the state will consider alternatives to the current reimbursement process. However, while the contractor may propose an alternative methodology, it must also agree to perform the process per the RFP in the event the methodology is not adopted.</p>
9	18	C.2.i. Special Formula Food Instruments (SFFI)
		<p><b>Q.</b> Would the State consider changing the SFFI process from a voucher to a manual check? The manual check could be filled in by clinic and the vendor and deposited like any other check. Skeletal issuance records would be provided by the State to the contractor for the manual checks and then the manual checks could be processed as a regular check.</p>
		<p><b>A.</b> NYS WIC plans to retain the SFFI process. The current manual check backup system, primarily used in the event of system failure, is in place only for the commonly issued contract formulas. The program authorizes more than 50 different formulas (in various forms, including concentrate, powder and ready-to-use); less than one percent of participants receive SFFI's for special formulas. It is not administratively feasible to require WIC local agencies to maintain supplies of manual checks for all formulas, the usage of which is unpredictable. In addition, printing "blank" manual checks (with the associated participant identification cards) would expose the program to increased fraud and abuse.</p>

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10	19	C.2.j.ii) Outstanding/Rejected Item Retention
		<p>Q. Would the State be open to receiving the purged outstanding/rejected file in a separate monthly file formatted according to RFP specifications?</p>
		<p>A. The State is open to enhanced methods of meeting RFP requirements. Any deviations from the minimum requirements will need further discussion.</p>
11	19	C.2.j.ii) Outstanding/Rejected Item Retention
		<p>Q. Why would DOH need the Contractor send back records of purged items (via Paid/Not Paid file)?</p>
		<p>A. It serves to match those records to the DOH outstanding issued file records. In the event an item is purged that does not appear in our purged database, or in the event that the Contractor doesn't purge an item DOH identifies as needing to be purged, this ensures that our issuance and paid files are in synch. Otherwise, we have no report on any activities associated with a particular check. This serves as closure in the life cycle of an issued food instrument.</p> <p>The absence of this requirement would necessitate the Contractor maintaining these records in a database, which would quickly grow unmanageably large.</p>
12	19	C.2.j.iii) Master File Retention
		<p>Q. "...the Contractor should retain master file data for a long enough period of time to allow for completion of financial statements. What would be a "long enough time" for NYS DOH to complete the financial statements?</p>
		<p>A. Master file data should be immediately available for at least 120 days and available from archive for the duration outlined in the Records section of Appendix A.</p>

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13	19	C.2.k. Select Review
		<p><b>Q.</b> Please explain the purpose of this process. What volume of checks should the Contractor expect monthly for this review process?</p>
		<p><b>A.</b> The purpose of this process is to ensure vendors are depositing in their WIC designated account.</p> <p>The volume is dependent upon the volume of WIC checks the selected vendors redeem. However, the magnitude of a select review would not be significant enough to impact the Contractor's ability to meet the same day processing requirement for food instruments.</p>
14	23	C.2.s. Courier Services
		<p><b>Q.</b> Is there a cut-off time about same day processing based upon when the courier service went and got the mail from the P.O. Box? If the courier cleaned out the P.O. Box at 4:00PM, would those items still have to be processed that day?</p>
		<p><b>A.</b> The same day processing requirement cannot be tied to the courier pick-up time. The Contractor cannot designate a late afternoon pick-up time for the purpose of circumventing this requirement for items that arrived in the box in the morning. The Contractor should make an inquiry to the Post Office branch as to what time of day the bulk of that day's mail will be available for pick-up and schedule the courier pick-up as close to that time as possible to allow it the greatest amount of time within which to accomplish same day processing.</p> <p>The RFP requires a minimum of one pick-up per day from the Post Office box. For a Contractor that makes more than one pick-up per day, the first pick-up should occur soon after the bulk of the day's mail is available. Mail obtained on subsequent stops during the day will not be held to the same day processing requirement.</p> <p>The Department of Health will perform periodic processing timeliness tests to ensure the Contractor is adhering to the same day processing requirement.</p>

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15	23	<a href="#">C.2.s. Courier Services</a>
		<p><b>Q.</b> Would the State allow the P.O. Box address to be changed so that it would be located near the Contractor's processing facility in another part of the country?</p> <p>Would the State consider FedEx provided envelopes to be used as the courier service pick up to be used at DOH Central Offices?</p>
		<p><b>A.</b> The State will consider alternative options for courier services provided they meet same day processing requirements. Any P.O. Box change resulting in additional mail transit time must be addressed operationally and/or programmatically by the Contractor to account for the lag. Reimbursements are time sensitive and federal regulations have recently reduced the number of days vendors have for submitting items for reimbursement. Any P.O. Box change should be implemented gradually to mitigate the costs associated with the change as they pertain to document replacement (printing and distribution) and vendor education outreach initiatives. The Contractor would also need to continue to pick-up mail from the legacy P.O. Box for a minimum of six months after the change and be able to process obsolete documents while still meeting minimum requirements.</p>
16	34	<a href="#">D.1.b. Cost Proposal Sheets (Attachments 7A and 7B): Operating and Development Costs</a>
		<p><b>Q.</b> The RFP requires two types of ACH processing, debit and credit. The ACH credit processing involves handling of checks collected from a P. O. Box, where the debit ACH process is fully automated. The cost proposal sheet has a line item called "ACH Reimbursement Check Processing". Is this line item for both debit and credit ACH? If it is, would the State provide separate line items for the credit and debit ACH processes?</p>
		<p><b>A.</b> ACH debiting of above-50% stores was implemented just prior to the RFP release and number less than 50 transactions per month, which would not impact the statistical volume approximation to be used in calculating the monthly ACH processing cost.</p> <p>As a result, there is no need for separate line</p>

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17	34	D.1.b. Cost Proposal Sheets (Attachments 7A and 7B): Operating and Development Costs
		<p>Q. There is extra handling of a check that is rejected for a failed edit. Would the State provide a separate line item for a fee to reject a check?</p>
		<p>A. Costs related to additional handling of checks as a normal course of WIC processing should be factored into the per item fee.</p>
18	34	D.1.b. Consultant Hourly Rate
		<p>Q. Would the State consider removing this requirement to open up the opportunity to receive more competitive banking bids? We are not a programming shop and would not have the capability in-house to address the requirements of the consultant. Would we be on the hook for providing that programmer?</p>
		<p>A. No. We understand that a Contractor may not have the ability to fulfill this requirement from within. In that case, the Contractor could subcontract this requirement out to a consulting firm.</p> <p>Bidders can access information about currently approved Information Technology Consultant Contractors via the Office of General Services website at <a href="http://www.ogs.state.ny.us">www.ogs.state.ny.us</a> by clicking on Procurement Contracting Services, then Contracts, then Service Contracts, then Information Technology, then Group 73012 (IT Services), then award S96027SE, then List of Pre-Qualified Contractors for a list. The direct link to the list is: <a href="http://www.ogs.state.ny.us/asp/purchase/snt/consulting/matrixnew.asp?hr=n">http://www.ogs.state.ny.us/asp/purchase/snt/consulting/matrixnew.asp?hr=n</a></p>
19	34	D.1.b. Consultant Hourly Rate
		<p>Q. What are the onsite work requirements, if any?</p>
		<p>A. The consultant would be located at the DOH office, currently located in Menands, New York.</p>

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20	34	D.1.b. Consultant Hourly Rate
		Q. How many hours are anticipated to be needed?
		A. You should assume a full-time position at 40 hrs./wk., as stated on page 34 of the RFP. For purposes of the RFP Cost Proposal, we are using 173 hrs./mo in determining the monthly cost attributed to the consultant
21	34	D.1.b. Consultant Hourly Rate
		Q. How much variation in hours will there be from week to week? Also, might there be a lot of work initially and then very little for several months?
		A. There will be no variation in hours from week to week. We expect the consultant to be working 40 hours each week.
22	34	D.1.b. Consultant Hourly Rate
		Q. Will the work be strictly "heads down" coding?
		A. No. There is significant interaction with Information Technology Applications and Operations staff, as well as with staff from the Program area.

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23	34	D.1.b. Consultant Hourly Rate
		<p>Q. What type of specifications will be provided to code from?</p>
		<p>A. The consultant will be required to meet with users and develop specifications (business rules, screen design, documentation, user manual, etc.) and may be required to code from these specifications or pass them on to another coder. Code specifications may also be developed by someone else and the consultant would be required to develop code based on these specifications.</p>
24	34	D.1.b. Consultant Hourly Rate
		<p>Q. Might the work include consulting on architecture, design, database, technical documentation, or other technical aspects of the NY solution?</p>
		<p>A. Yes, the work will include all of these tasks.</p>
25	34	D.1.b. Consultant Hourly Rate
		<p>Q. What equipment, software, network access, etc. will be provided, if any</p>
		<p>A. Based in our main office in Menands, NY, the consultant will be assigned a PC with all the software and network accesses required to perform his/her job. As stated on pages 34-35 of the RFP, the consultant will primarily be using PowerBuilder to interface with the Division's WIC Statewide Information System.</p> <p>Equipment and software are subject to change based on Department needs.</p>

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<b>26</b>	<b>34</b>	<b>D.1.b. Consultant Hourly Rate</b>
		<b>Q.</b> What are the work day/hours required? i.e. Must be available between x time and y time (Eastern)?
		<b>A.</b> Work hours are subject to negotiation.
<b>27</b>	<b>34</b>	<b>D.1.b. Consultant Hourly Rate</b>
		<b>Q.</b> Will the consultant be working directly with WIC Program staff? Who will this person(s) be working with the most?
		<b>A.</b> Yes; he/she will be working directly with multiple WIC Program staff on a routine basis, as well as with Division of Nutrition Information Technology staff.
<b>28</b>	<b>34</b>	<b>D.1.b. Consultant Hourly Rate</b>
		<b>Q.</b> Can the hours be provided by more than one person?
		<b>A.</b> We prefer one person due to the nature of the work to be performed and the role this individual will play in the organization.
<b>29</b>	<b>34</b>	<b>D.1.b. Consultant Hourly Rate</b>
		<b>Q.</b> Must all the proposed consultants be named in the Response? Must all proposed individuals have resumes included in the Response?
		<b>A.</b> No, this is not required.

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<b>30</b>	<b>34</b>	<a href="#">D.1.b. Consultant Hourly Rate</a>
		<p><b>Q.</b> When would the work start? Might the work start before the official contract period begins, i.e. to "ramp up"?</p>
		<p><b>A.</b> The consultant would begin work upon commencement of the contract.</p>
<b>31</b>	<b>Att.</b>	<a href="#">Attachment 6A – Check Rejection Criteria</a>
		<p><b>Q.</b> RFP STATES: "Unauthorized Food Package" How will the contractor know if a food package is authorized or not? Does the banking contractor make that determination?</p>
		<p><b>A.</b> The banking contractor will make determinations as to which check rejection code to assign to a rejected check. "Unauthorized Food Package" pertains to pharmacies authorized to sell only formula to WIC participants. These vendors are not allowed to accept non-formula WIC checks (i.e., checks that include foods). The Contractor must maintain data and programming that will alert it when pharmacies attempt to redeem non-formula checks so that it knows to reject the check. A determination can be made programmatically by ensuring the vendor type and check type are compatible by comparing the vendor file to the check issuance file. Note that some pharmacies (predominantly larger chain stores) are authorized to sell food and formula. This requirement would not be applicable to these vendors.</p>
<b>32</b>	<b>Att.</b>	<a href="#">Attachment 6A – Check Rejection Criteria</a>
		<p><b>Q.</b> RFP STATES: "No match to master file" Can the WIC Program elaborate on rules relating to this rejection?</p>
		<p><b>A.</b> This rejection code would be assigned to food instruments for which no issuance information is on file with the Contractor.</p>

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<b>33</b>	<i>Att.</i>	<a href="#">Attachment 6A – Check Rejection Criteria</a>
		<p><b>Q.</b> RFP STATES: “Original check cannot be located” Can the WIC Program elaborate on rules relating to this rejection?</p>
		<p><b>A.</b> Occasionally, a banking operator that is processing presented items works from paper, tape or other media and cannot obtain an image or locate the original item. A code 30 - 'Original Check cannot be located', is temporarily assigned so that processing can continue on the remaining work. Once all the day's work is completed, the operator researches and finds the item - sometimes not until the following day, and changes the code appropriately.</p>
<b>34</b>	<i>N/A</i>	<i>N/A</i>
		<p><b>Q.</b> What is the per item pricing being charged by the current banking Contractor?</p>
		<p><b>A.</b> This is a Freedom of Information Law request and has been forwarded to the DOH FOIL officer for consideration.</p>
<b>35</b>	<i>N/A</i>	<i>N/A</i>
		<p><b>Q.</b> Are all services required in the RFP being currently provided?</p>
		<p><b>A.</b> This is a stand-alone RFP and services required are based solely on the needs of the NYS Department of Health at this time.</p>