

RFP 21 – 0021

Eighth Addendum – January 24, 2022

First Request for Clarification

While conducting its review and evaluation of proposals submitted in response to RFP 21-001, the Issuing Office has identified an area of interest to it that is common to all proposals that were submitted. In the hope of providing early notice of this topic, as well as maximizing the time available to Offerors to address this matter, the Issuing Office issues this First Request for Clarification to all Offerors. The Issuing Office currently anticipates issuing at least one subsequent request for clarifications, which will be made available no later than January 27, 2022, the revised deadline established by Addendum 7 to RFP 21-001.

Offerors must submit responses to this First Request for Clarification no later than 11:59 PM on February 3, 2022, the revised deadline for responses established by Addendum 7 to RFP21-001. Earlier responses are encouraged.

First Request for Clarification

The Issuing Office, in its RFP, attempted to explain the Commonwealth's interest in finding an appropriate balance in its debit card program between two very important objectives. One objective is the deterring, identifying, and blocking of a wide variety of frauds, deceptive practices, and conventional thefts of funds involving both innocent legitimate benefits recipients and illegitimate claimants attempting to secure undeserved benefits through identity theft and other practices. The second objective is the protection and vindication of the rights of legitimate, and innocent, cardholders who might be wrongly affected by the implementation of anti-fraud measures by debit card providers.

The ideal balance will allow the Commonwealth – and Offeror – to maintain a vigilant and aggressive posture against criminal activity while also providing innocent cardholders with reasonable, convenient, and timely methods to demonstrate that they have been inadvertently caught up in the anti-fraud measures. The Commonwealth wishes to engage a vendor able to establish best practices not only in implementing anti-fraud measures but also in making available effective processes to recognize, and correct, false positives called out by these measures.

Offeror proposals were, to greater or lesser extents, reasonably responsive and comprehensive regarding the first prong of this balance but significantly less expansive in addressing the second.

Accordingly, the Commonwealth requests bidders to provide clarification regarding this second prong. Specifically, the Commonwealth is interested in your responses to the following.

- A. With regard to any actions that an Offeror would take to delay enrolling/issuing a card or inactivating a recently mailed card before any funds can be withdrawn/used (or otherwise restricting access to funds):
 1. Will you take such steps on your own initiative, or only upon request by the Commonwealth?

2. If upon your own initiative, please a) describe the level of confidence of fraudulent behavior that you would have before taking such steps, b) identify the individual or organizational element responsible for making the decision, c) describe how and when the Commonwealth would be notified of your action.
 3. If the action is taken on your initiative, describe the information regarding the basis for the action that would be provided to the cardholder as well as the information provided about the cardholder's opportunity to appeal or challenge your action.
 4. If taken on your initiative, please also describe the contest/challenge procedures that you will make available to the cardholder. Your response should at least include i) how and where does the cardholder pursue the contest/challenge (please include details regarding any automated convenience components of your procedures (*e.g.*, ID.me or comparable identity verification tools)), ii) what time limits, if any, are applicable to bringing the contest/challenge, iii) what information would the cardholder be allowed or encouraged to provide on their behalf, iv) who within the Offeror reviews and decides the merits of the contest/challenge, v) how quickly will the Offeror be required to make and communicate a decision to the cardholder, and vi) what kind of information or explanation will be provided for a negative decision in response to the contest/challenge?
 5. If the Offeror denies a contest/challenge, is there any additional level of review or appeal within the Offeror that the cardholder can pursue? If so, please describe briefly what that process entails.
 6. Please explain how, if at all, any of your responses to the preceding questions would change if your action to delay/inactivate a card were undertaken at the request of the Commonwealth rather than on your own initiative.
- B. With regard to any actions that an Offeror would take to restrict access to funds or otherwise restrict access to or use of a card post-enrollment and activation (generally, meaning actions taken based upon an Offeror's analysis of account usage or behavior), please address the following:
1. Please a) describe the level of confidence of fraudulent behavior that you would have before taking such steps (please include details regarding any automated convenience components of your procedures (*e.g.*, ID.me or comparable identity verification tools)), b) identify the individual or organizational element responsible for making the decision, and c) describe how and when the Commonwealth would be notified of your action.
 2. Describe the information regarding the basis for the action that would be provided to the cardholder as well as the information provided about the cardholder's opportunity to appeal or challenge your action.
 3. Describe the contest/challenge procedures that you will make available to the cardholder. Your response should at least include i) how and where does the cardholder pursue the contest/challenge, ii) what time limits, if

any, are applicable to bringing the contest/challenge, iii) what information would the cardholder be allowed or encouraged to provide on their behalf, iv) who within the Offeror reviews and decides the merits of the contest/challenge, v) how quickly will you be required to make and communicate a decision to the cardholder, and vi) what kind of information or explanation will be provided for a negative decision in response to the contest/challenge?

4. If you deny a contest/challenge, is there any additional level of review or appeal within the Offeror that the cardholder can pursue? If so, please describe briefly what that process entails.

The Issuing Office understands that the Commonwealth agencies may also play important roles, either in facilitating or – in certain instances – implementing anti-fraud measures. The Issuing Office encourages you to include in your responses any suggestions you care to make on ways that they might cooperate or coordinate with you (if selected) in your efforts to provide both effective anti-fraud measures and meaningful cardholder protections.