

27016

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
County of Cook and State of Illinois

CONTRACT RENEWAL
MEDICARE-ELIGIBLE RETIREES
HUMANA INC.

THE CHANCELLOR

REPORTS

that Humana Inc. has been the insurance company for the Health Maintenance Organization (HMO) Medical Plan for Medicare-eligible retirees for the City Colleges of Chicago since 2001; and

that the contract with Humana Inc. expires on December 31, 2005, and a 23% decrease has been negotiated; and

that current and proposed Humana Inc. Monthly Rates are as follows:

Current Rate: \$189.00 per HMO plan participant

Proposed Rate: \$145.00 per HMO plan participant

that the total dollars expended last year were \$137,908.00 and the estimated expenditure this year will not exceed \$151,698.80; and

that the City Colleges of Chicago wishes to continue its relationship with Humana Inc. to offer HMO medical coverage to its Medicare-eligible retirees; and

that the Office of M/WBE Contract Compliance has reviewed the above referenced contract renewal and due to the need to continue providing these Medicare services on a consistent basis to CCC retirees, it is recommended that a waiver from both MBE and WBE compliance goals be approved.

THE CHANCELLOR

RECOMMENDS

that the Board of Trustees authorize the Chairman to enter into the contract renewal with Humana Inc. for the HMO Plan for the period January 1, 2006, through December 31, 2006 at cost not to exceed \$151,698.80.

FINANCIAL

Not to exceed \$151,698.80 00003-0025006-520000-80000-01000-0000000

Respectfully submitted,

Wayne D. Watson
Chancellor

November 3, 2005 - Human Resources - District Office