

27403

ADOPTED

BOARD OF TRUSTEES

COMMUNITY COLLEGE DISTRICT NO. 508 - JUNE 8, 2006

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

CONTRACT RENEWAL
HUMANA INC.

THE CHANCELLOR

REPORTS

that Humana Inc. has been the insurance company for the Health Maintenance Organization (HMO) Medical Plan for the City Colleges of Chicago since 1999; and

that the contract with Humana Inc. expires on June 30, 2006, and a 15% increase has been negotiated (11.7% for 876 employees and 36.2% for 117 retirees); and

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

	Current Monthly Rates		Proposed Monthly Rates	
	Single	Family	Single	Family
Employees (Local 1708)	\$294.14	\$847.09	\$312.82	\$899.56
Employees (non-1708)	\$273.40	\$786.20	\$312.82	\$899.56
Retirees (Local 1708)	\$381.14	\$1,097.63	\$493.19	\$1,420.45
Retirees (non-1708)	\$354.14	\$1,019.96	\$493.19	\$1,420.45

that the total dollars expended last year were \$6,477,866.16 and the estimated expenditure this year will not exceed \$7,449,819.72; and

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

that the Office of M/WBE Contract Compliance has reviewed the above referenced contract renewal and has determined that since there are no MBE or WBE vendors with the capacity to provide these needed services, it is recommended that a waiver from compliance from the Board approved Participation Plan be granted.

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 July 1, 2006, through June 30, 2007 at a cost not to exceed \$7,449,819.72.

FINANCIAL

Not to Exceed \$7,449,819.72 00003-0025006-520000-80000-01000-0000000
Educational Fund

Respectfully submitted,

Wayne D. Watson
Chancellor

June 8, 2006

Human Resources – District Office