

29149
ADOPTED - BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
DECEMBER 2, 2008

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

CONTRACT RENEWAL
BLUECROSS BLUESHIELD OF ILLINOIS FOR
THE HMO MEDICAL PLAN

THE CHANCELLOR

REPORTS

that there is a need to renew the existing contract with BlueCross BlueShield of Illinois for HMO coverage for the District's employees and retirees; and

that in Board Report #28427 adopted December 6, 2007, the Board of Trustees authorized the Chairman to enter into a contract renewal with BlueCross BlueShield of Illinois for the period January 1, 2008 through December 31, 2008 at a cost not to exceed \$9,917,578.20; and

that the initial approval was based on the recommendation of the City Agency HMO Coalition as a result of evaluating competitive bids from BlueCross BlueShield of Illinois, Unicare and United Healthcare in response to the City Agency Request for Proposal for HMO services for a three-year period; and

that the initial approval was also based on the recommendation from the Joint Union-Administration Committee comprised of a Chancellor designee and designees from the Local 1600 and 1708 Unions; and

that the contract with BlueCross BlueShield of Illinois expires on December 31, 2008, and is eligible for a third year of renewal; an 11.5% increase in premiums has been negotiated; and

that the current and proposed BlueCross BlueShield of Illinois monthly rates are as follows:

	Current Monthly Rates	Proposed Monthly Rates
Employees: Single	\$334.28	\$372.72
Family	\$961.25	\$1,071.79
Retirees: Single Non-Medicare	\$528.55	\$589.33
Couple Non-Medicare	\$1,522.30	\$1,697.36
Family Non-Medicare	\$1,522.30	\$1,697.36
Single Medicare	\$172.94	\$192.83
Couple Medicare	\$345.87	\$385.66
Couple (1 w/ Medicare; 1 w/o Medicare)	\$701.49	\$782.16
Family (1 w/ Medicare; 2+ w/o Medicare)	\$1,522.30	\$1,697.36
Family (2 w/ Medicare; 1 w/o Medicare)	\$874.42	\$974.99

that the total dollars expended last year were \$8,595,320.29 and the estimated expenditure this year will not exceed \$10,847,323.34; and

that the City Colleges of Chicago wishes to continue its relationship with BlueCross BlueShield of Illinois 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 BlueCross BlueShield of Illinois continues to be in compliance with the Board approved Participation Plan.

THE CHANCELLOR

RECOMMENDS

that the Board of Trustees authorize the Chairman to enter into a contract renewal with BlueCross BlueShield of Illinois for the HMO Medical Plan for the period January 1, 2009 through December 31, 2009 at an estimated cost not to exceed \$10,847,323.34.

FINANCIAL

Not to exceed \$10,847,323.34

FY09- \$5,423,661.67 Education Fund 00003-0025006-00084-10010-0000000-521100

FY10- \$5,423,661.67 Education Fund 00003-0025006-00084-10010-0000000-521100

Respectfully submitted,

Wayne D. Watson
Chancellor