

30278

**ADOPTED - BOARD OF TRUSTEES COMMUNITY
COLLEGE DISTRICT NO. 508
MAY 12, 2010**

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

**CONTRACT RENEWAL
BLUECROSS BLUESHIELD OF ILLINOIS:
ADMINISTRATIVE FEES FOR THE PPO MEDICAL PLAN**

THE CHANCELLOR

REPORTS

that in Board Report #28426 adopted December 6, 2007 the Board authorized the Chairman to enter into a contract for the period January 1, 2008 through December 31, 2010, with BlueCross BlueShield at an annual cost not to exceed \$354,639.45; and

that this approval was based on the City Agency Coalition receipt of and evaluation of competitive bids for PPO medical services from Aetna, BlueCross BlueShield of Illinois, CIGNA, Humana, Inc. and United HealthCare which allotted for a five year period as advertised in the Request for Proposal; and

that the City Agency Coalition recommended BlueCross BlueShield as the administrator for the PPO Medical Plan as of January 1, 2008; and

that the host agency Chicago Transit Authority in Contract # B06OP03427 and B06OP03427D awarded a five year contract to BlueCross BlueShield to act as the PPO Medical Plan administrators; and

that the Office of Human Resources and Staff Development is requesting approval to renew the existing contract with BlueCross Blue Shield for the District's employees for the PPO Medical Plan which expires on December 31, 2010; and

that this approval was 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 proposed contract with BlueCross BlueShield contains no increase in monthly administrative fees for the PPO Medical Plan claim payments per participating employees/retirees and the fees are as follows:

	Current Monthly Rates	Proposed Monthly Rates
Administrative Fee	\$27.00	\$27.00
Less BlueCross BlueShield Rx Rebate Credit	(\$12.38)	(\$12.38)
Net Administrative Fee	\$14.62	\$14.62

that the estimated expenditure this year will not exceed; \$354,963.18; and

that City Colleges of Chicago seeks to continue its relationship with BlueCross BlueShield of Illinois to offer PPO medical coverage to its employees and retirees; and

that contracts for goods and services procured from another governmental agency are exempt from the District's competitive bidding requirements; 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 authorizes the Chairman to enter into a contract renewal with BlueCross BlueShield of Illinois for the PPO Medical Plan for the period January 1, 2011 through December 31, 2011 at an estimated annual cost not to exceed \$354,963.18 with a one year option to renew.

FINANCIAL

FY2011- \$177,481.59 Educational Fund -00003-0025006-00084-10001-0000000-529099

FY2012- \$177,481.59 Educational Fund -00003-0025006-00084-10001-0000000-529099

Respectfully submitted,

**Cheryl L. Hyman
Chancellor**

May 12, 2010 –Human Resources – District Office