

31219
ADOPTED – BOARD OF TRUSTEES COMMUNITY
COLLEGE DISTRICT NO. 508
NOVEMBER 3, 2011

BOARD OF TRUSTEES OF COMMUNITY COLLEGE DISTRICT NO. 508
COUNTY OF COOK STATE OF ILLINOIS

PREFERRED PROVIDER ORGANIZATION (PPO)
MEDICAL HEALTH CLAIM ADMINISTRATIVE FEE
BLUECROSS BLUESHIELD OF ILLINOIS
OFFICE OF HUMAN RESOURCES AND STAFF DEVELOPMENT, BENEFITS
(RENEWAL OPTION)

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chairman to exercise the option to renew the professional services agreement with BlueCross BlueShield of Illinois to provide claim administrator services for the processing of PPO medical claims for a one year period from January 1, 2012 through December 31, 2012. There will be no increase in the monthly administrative fee of \$27.00 for the PPO Medical Plan claim payments per participating employees/retirees for this period with a total annual cost not to exceed \$550,500.00.

VENDOR: BlueCross BlueShield of Illinois
300 E. Randolph St.
Chicago, IL 60601-5655

USER: All Eligible Employees, Retirees and their dependents

ORIGINAL TERM:

The original term of this agreement commenced on January 1, 2008 and ended on December 31, 2010.

FIRST RENEWAL OPTION TERMS:

The first renewal term of this agreement commenced on January 1, 2011 and shall end on December 31, 2011.

SECOND RENEWAL OPTION TERMS:

The second renewal term of this agreement shall commence on January 1, 2012 and shall end on December 31, 2012.

SCOPE OF SERVICES:

City Colleges of Chicago will pay service charges to BlueCross BlueShield (The Claim Administrator), as compensation for the processing of PPO Medical Health claims, administrative and other services provided.

BENEFIT TO CITY COLLEGE OF CHICAGO:

BlueCross BlueShield of Illinois ASO PPO Medical Plan continues to offer The City Colleges of Chicago the reduced rate of \$27.00 per employee per month (PEPM) for its employees and retirees. This rate will be in effect until the City Healthcare Coalition solicits competitive bids for healthcare.

VENDOR SELECTION CRITERIA:

The selection 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. The City Agency Coalition recommended BlueCross BlueShield as the administrator for the PPO Medical Plan as of January 1, 2008. 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 administrator.

MBE/WBE COMPLIANCE:

The Office of M/WBE Contract Compliance has reviewed the above referenced contract renewal opportunity and determined that BlueCross BlueShield of Illinois, provider member with a directory of service providers that contains certified MBE/WBE practitioners and specialists, continues to be in compliance with the Board Approved Participation Plan.

MBE Vendors:

Innovative Systems 799 Roosevelt Rd Glen Ellyn, IL 60137	Indirect Participation	City Certification
--	------------------------	--------------------

Creative Printing 1701 Birchwood Des Plaines, IL 60018	Indirect Participation	City Certification
--	------------------------	--------------------

WBE Vendor:

A&R Janitorial 5324 W 25 th Cicero, Illinois 60804	Indirect Participation	City Certification
---	------------------------	--------------------

GENERAL CONDITIONS:

Inspector General – It shall be the duty of each party to the agreement to cooperate with the Inspector General for City Colleges of Chicago in any investigation conducted pursuant to the Inspector General’s authority under Article II, Section 2.6.4(b) of the Board Rules for Management and Government.

Ethics – It shall be the duty of each party to the agreement to comply with the applicable provisions of the Board’s Ethics Policy adopted January 7, 1993, and as amended by the Board.

FINANCIAL:

Total: \$550,500

Charge to: Office of Human Resource and Staff Development, Benefits

Source of Funds: Educational Fund

Unrestricted Fund

2nd Half FY12 - \$275,250: 00003-0025006-00084-10001-0000000-521100

1st Half FY13 - \$275,250: 00003-0025006-00084-10001-0000000-521100

Respectfully submitted,

**Cheryl L. Hyman
Chancellor**

November 3, 2011 – Office of Human Resources and Staff Development – District Office