

31678
ADOPTED - BOARD OF TRUSTEES COMMUNITY COLLEGE
DISTRICT NO. 508
DECEMBER 7, 2012

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

HEALTH MAINTENANCE ORGANIZATION (HMO) MEDICAL HEALTH PLAN
BLUECROSS BLUESHIELD OF ILLINOIS
OFFICE OF HUMAN RESOURCE AND STAFF DEVELOPMENT, BENEFITS DIVISION

THE CHANCELLOR RECOMMENDS:

that the Board authorizes the Chair to extend the agreement with BlueCross BlueShield of Illinois for the Health Maintenance Organization (HMO) Plan for the employees and retirees of the City Colleges of Chicago for the period from January 1, 2013 through December 31, 2013, at a total cost not to exceed \$12,166,290.

VENDOR: BlueCross BlueShield of Illinois
300 East Randolph Street
Chicago, Illinois 60601-5655

USERS: All Eligible Employees, Retirees and their dependents

TERM:

The term of the agreement shall begin on January 1, 2013 and end on December 31, 2013.

SCOPE OF SERVICES:

BlueCross BlueShield of Illinois will provide a Health Maintenance Organization (HMO) medical plan for eligible active and retired employees of City Colleges of Chicago.

BENEFIT TO CITY COLLEGES OF CHICAGO:

As a result of the Board approved plan changes last year that aligned City Colleges of Chicago's benefit plan design with the marketplace and Sister City Agencies, CCC's 2013 HMO renewal reflects an increase of 3.9% which is approximately 6% less than the previous year's increase and overall, less than the industry standard for yearly increases in HMO benefit coverage.

VENDOR SELECTION CRITERIA:

City Colleges of Chicago participated in the City's Agency Healthcare Coalition HMO Request For Proposal (RFP) for medical coverage. Chicago Public Schools retained Molloy Consulting Services to conduct the RFP process on behalf of the Coalition. Aetna, BlueCross BlueShield of Illinois, CIGNA, Humana, Inc. and United HealthCare were the health insurance carriers that responded to the RFP. BlueCross BlueShield of Illinois was the only insurance carrier that was able to meet the RFP scope of services and retain overall cost.

The evaluation criteria required that vendors provide the following:

- Ability to duplicate CCC's current plan design for HCR and CBA compliance
- Provide alternative network with minimum disruptions
- Competitive pricing and plan design options

The contract being utilized as a part of the joint purchasing agreement has been advertised and awarded in accordance with the procurement procedures of the Chicago Public Schools detailed in Specification #11-250020 and Board Report #11-0928-PR13 for the period from January 1, 2012 through December 31, 2014. Pursuant to State law, contracts for goods and services procured from another governmental entity are exempt from the District's competitive bidding requirements.

MBE/WBE COMPLIANCE:

The Office of M/WBE Contract Compliance has reviewed the above referenced contract renewal with BlueCross BlueShield Illinois and has determined that the vendor is in compliance with the MBE participation goals and further recommends that a 1% partial waiver of the WBE participation goals to be in compliance with the Board Approved Participation Plan.

MBE Vendor:

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| Innovative Systems Group (MBE) 799 Roosevelt Rd. Bldg 4-109 Chicago, IL. 60606 | Indirect Participation 23% | City Certification |
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| Creative Printing Services, Inc. (MBE) 1701 Birchwood Ave. Des Plaines, IL 60018 | Indirect Participation 3% | City Certification |
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WBE Vendor:

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| A&R Janitorial (WBE) 5234 W. 25 th Street Cicero, IL 60804 | Indirect Participation 6% | City Certification |
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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 2, Section 2.7.4(b) of the Board Bylaws.

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.

Contingent Liability – Pursuant to Section 7-14 of the Illinois Public Community College Act, all agreements authorized herein shall contain a clause that any expenditure beyond the current fiscal year is subject to appropriation in the subsequent fiscal year.

FINANCIAL:

Total FY13 – FY14: \$12,166,290

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

Source of Funds: Educational Fund

Respectfully submitted,

**Cheryl L. Hyman
Chancellor**

December 7, 2012 – Office of Human Resources and Staff Development – Benefits Division