

**31679**

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

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

**PREFERRED PROVIDER ORGANIZATION (PPO)  
MEDICAL HEALTH CLAIM ADMINISTRATIVE FEE  
BLUECROSS BLUESHIELD OF ILLINOIS  
(RENEWAL OPTION)**

**OFFICE OF HUMAN RESOURCE AND STAFF DEVELOPMENT, BENEFITS DIVISION**

**THE CHANCELLOR RECOMMENDS:**

that the Board of Trustees authorizes the Chair to exercise the option to renew the agreement with BlueCross BlueShield of Illinois to provide claim administrator services for PPO medical health claims for the period from January 1, 2013 through December 31, 2013, at total cost not to exceed \$587,886 for the contract term.

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

**USER:** All Eligible Employees, Retirees and their dependents

**TERM:**

The term of this agreement will commence on January 1, 2013 and end on December 31, 2013.

**SCOPE OF SERVICES:**

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

**BENEFIT TO CITY COLLEGES OF CHICAGO:**

BlueCross BlueShield of Illinois Administrative Service Only (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.

**VENDOR SELECTION CRITERIA:**

All Sister City Agencies under the Healthcare Municipal Coalition have entered into a one (1) year contract extension with BCBS IL for 2013, with the understanding that a Request for Proposal will be conducted for 2014. The selection was based on the City Agency Coalition receipt of and evaluation of competitive bids for PPO claim administrator 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 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:**

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:**

A&R Janitorial (WBE) 5234 W. 25 <sup>th</sup> 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:** \$587,866

**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**