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ADOPTED – BOARD OF TRUSTEES
COMMUNITY COLLEGE DISTRICT NO. 508
NOVEMBER 7, 2013

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

CLAIMS ADMINISTRATION SERVICES
DISTRICT PREFERRED PROVIDER ORGANIZATION (PPO) PLAN
BLUECROSS BLUESHIELD OF ILLINOIS
OFFICE OF HUMAN RESOURCES AND STAFF DEVELOPMENT, BENEFITS DIVISION

THE CHANCELLOR RECOMMENDS:

that the Board of Trustees authorizes the Chair to execute an agreement with Blue Cross Blue Shield of Illinois (“BCBS”) to provide claims administration services for the District self-insured Medical PPO Plan for the period from January 1, 2014 through December 31, 2016, at a total cost not to exceed \$1,560,000 for the contract term.

VENDOR: Blue Cross Blue Shield of Illinois (BCBS)
300 East Randolph Street
Chicago, Illinois 60601-5655

USER: District Wide

TERM:

The term of this agreement shall begin on January 1, 2014 and will continue through December 31, 2016, with two (2) one-year options to renew through December 31, 2018.

SCOPE OF SERVICES:

BCBS provides self-insured medical claims administration services to eligible CCC employees and retirees.

BENEFIT TO CITY COLLEGE OF CHICAGO:

The BCBS contract will maintain the same monthly administrative fee for medical claims administration per participating employees/retirees of \$27.00, which includes utilization management, case management, and mental health services that CCC paid under the previous contract as a result of CCC’s alignment with the Sister City Agencies.

VENDOR SELECTION CRITERIA:

All Sister City Agencies participated in the City Healthcare Joint Coalition (“Coalition”) Request for Proposal (“RFP”) process. Specifications were prepared by Chicago Public Schools (CPS) Procurement staff and were publicly advertised on April 26, 2013 as a Request for Proposal (“RFP”) #13-250046.

Competitive bids were obtained from four (4) vendors; 1) Humana; 2) United Healthcare; 3) Blue Cross Blue Shield of Illinois; and 4) Aetna.

The submitted proposals were reviewed, evaluated and ranked by a Coalition Evaluation

Committee (“Committee”) which included Sister Agency representatives from the following areas: Office of Human Resources, Labor & Employment, Finance, and MBE/WBE Contract Compliance.

Vendor	Fees
BCBS	\$27.00 Flat Cost Non-Medicare
	Expected Medical Claims -
	PEPM -\$630.50
	Plan -5 yrs.
Humana	\$34.35 1st year
	\$35.37 2nd year
	\$36.43 3rd year
	Plan - 3yrs
United Healthcare	\$37.23 1st year
	\$37.23 2nd year
	\$37.23 3rd year
	Medical Claims -PEPM
	Plan 3 years
Aetna	\$44.93 1st year
	\$44.93 2nd year
	\$44.93 3rd year
	Plan - 3 years
	Medical Claims- PEPM-\$722.83

The Committee individually scored each submitted RFP and finalists were selected for oral presentations that were individually scored by the Committee. The Committee combined RFP and oral presentation scores of finalists for an overall score for each finalist based upon the following criteria:

1. Firm Background
2. Ability to Perform Services Required
3. Provider Network and Network Management
4. Ability to Integrate Carved Out Functions
5. Cost Proposal
6. Ability to Conform to M/WBE Compliance and other Requirements of each Agency
7. Quality of Oral Presentation
8. Responses to Committee Questions presented at Oral Presentation

Based on the finalist responses and composite scores, each Agency selected the most responsible and responsive firm that met each Agency’s requirements. City Colleges of Chicago selected Blue Cross Blue Shield of Illinois (“BCBS”) to provide claims administration services for the District self-insured Medical PPO Plan.

MBE/WBE COMPLIANCE:

The Office of M/WBE Contract Compliance has reviewed the recommended agreement and has determined the vendor has complied with the Board Approved Participation Plan by agreeing to utilize the following firms:

<u>Vendor</u>	<u>MBE or WBE</u>	<u>%</u>	<u>Participation</u>	<u>Certifying Agency</u>
A & R Janitorial 5234 West 25 th Street Cicero, IL 60804	MBE	10	Indirect	City of Chicago
Innovative Systems Group 799 Roosevelt Rd Glen Ellyn, IL 60137	MBE	15	Indirect	City of Chicago
Trantech, LLC 248 Spring Lake Itasca, IL 60143	WBE	7	Indirect	City of Chicago

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: \$1,560,000

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

Source of Funds: Educational Fund

2nd Half FY14: 521100-00003-0025006-00084-10001

FY15: 521100-00003-0025006-00084-10001

FY16: 521100-00003-0025006-00084-10001

Respectfully submitted,

**Cheryl L. Hyman
Chancellor**

November 7, 2013 – Office of Human Resources and Staff Development – District Office