THE CHANCELLOR RECOMMENDS:
that the Board of Trustees authorizes the Chair to execute an amended agreement with Blue Cross Blue Shield of Illinois (“BCBS”) to continue to manage services related to the City Colleges of Chicago fully-insured Health Maintenance Organization (HMO) Medical Plan for the period from January 1, 2018 through December 31, 2018, at a total cost not to exceed $14,000,000.

VENDOR: Blue Cross Blue Shield of Illinois
300 East Randolph Street
Chicago, Illinois 60601

USER: All Eligible Employees, Retirees, and their dependents

ORIGINAL TERM:
The original term of this agreement began on January 1, 2015 and ends on December 31, 2017 with the option for two (2) one year extensions.

RENEWAL TERM:
The term of the renewal agreement will commence on January 1, 2018 and will continue through December 31, 2018 with one final option for a one-year extension remaining.

SCOPE OF SERVICES:
BCBS provides an HMO medical plan for eligible active and retired employees of the City Colleges of Chicago.

BENEFIT TO CITY COLLEGES OF CHICAGO:
The Office of Human Resources has determined that it is the best interest of the District to execute a three (3) year agreement with BlueCross BlueShield of Illinois HMO from January 1, 2015 through December 31, 2017 with two (2) one-year options to renew through December 2019 so that all eligible employees, retirees, and dependents can continue their medical coverage under the BlueCross BlueShield of Illinois HMO Medical Plan for the period of the agreement. BCBS and CCC have projected premiums over the life of the contract to include anticipated employee and retiree headcount growth, increased medical costs, Patient Protection and Affordable Care Act employer taxes, and increased insurance claims.

VENDOR SELECTION CRITERIA:
Specification were prepared by the District Procurement Staff and the Request for Proposal (RFP) #SL1404 Health Management Organization (HMO) Plan was publicly advertised on May 14, 2014. Five (5) firms (BlueCross BlueShield of Illinois, Humana, Cigna, United Health Care, and Aetna) were notified and sent a copy of the solicitation. A pre-proposal meeting was conducted at City Colleges of Chicago District Office on Monday, June 23, 2014 at 10:00 a.m. in conference room 301. Only one firm, BlueCross BlueShield of Illinois, responded to CCC’s RFP on Monday June 23, 2014. The four (4) remaining HMO firms declined to submit a quote proposal in response to the RFP.

MBE/WBE COMPLIANCE:
The Office of MBE/WBE Contract Compliance has reviewed the above amendment request and has determined that BlueCross BlueShield of Illinois is in compliance with the Board Approved Participation Plan and will utilize the following firms:

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<th>Vendor</th>
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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: $14,000,000
Charge to: Office of Human Resource and Staff Development
Source of Funds: Education Fund
FY18: 520000-00003-0025006-80000

Respectfully submitted,

Juan Salgado
Chancellor

October 5, 2017 – Office of Human Resources and Staff Development