



CITY OF PLANO COUNCIL AGENDA ITEM

CITY SECRETARY'S USE ONLY				
<input type="checkbox"/> Consent <input type="checkbox"/> Regular <input type="checkbox"/> Statutory				
Council Meeting Date:		3/23/2015		
Department:		Human Resources		
Department Head		Shante' Akafia		
Agenda Coordinator (include phone #): Sharron Mason - Ext. 7505				
CAPTION				
RFP No. 2015-106-C for a nine (9) month contract for Stop Loss Insurance to be utilized by Human Resources to United Health Group Incorporated in a total estimated amount of \$1,464,982, and authorizing the City Manager to executed all necessary documents.				
FINANCIAL SUMMARY				
<input type="checkbox"/> NOT APPLICABLE <input checked="" type="checkbox"/> OPERATING EXPENSE <input type="checkbox"/> REVENUE <input type="checkbox"/> CIP				
FISCAL YEAR:	2014-15 2015-16	Prior Year (CIP Only)	Current Year	Future Years
		TOTALS		
Budget	0	976,655	488,327	1,464,982
Encumbered/Expended Amount	0	0	0	0
This Item	0	-976,655	-488,327	-1,464,982
BALANCE	0	0	0	0
FUND(S): HEALTH CLAIMS FUND				
COMMENTS: This item approves a nine (9) month contract to extend the City of Plano's Stop Loss Coverage through December 31, 2015. The anticipated cost of \$1,464,982 will be funded via regular employee, retiree, and city contributions to the City's Health Claims Fund. STRATEGIC PLAN GOAL: Providing for Stop Loss Coverage against a high level of health claims relates to the City's Strategic Plan Goal of a Financially Strong City with Service Excellence.				
SUMMARY OF ITEM				
The evaluation committee recommends the contract award of RFP No. 2015-106-C for Stop Loss Insurance to United Health Group Incorporated for a nine (9) month contract in a total estimated amount of \$1,464,982. (Contract No. 2015-106-C)				
List of Supporting Documents: Recommendation of Award and RFP Recap			Other Departments, Boards, Commissions or Agencies	



Memorandum

To: Diane Palmer-Boeck, Chief Purchasing Officer

From: Andrea Cockrell, Administrative Services Manager

Date: February 19, 2015

Re: Award of Bid RFP 2015-106-C for Stop Loss Insurance

RFP 2015-106-C

The Stop Loss Insurance contract encompasses reinsurance coverage for the self-insured medical plan. The Evaluation Committee reviewed and evaluated two (2) companies in response to the Request for Proposal (RFP) for Stop Loss Insurance: United Health Group Incorporated and SA Benefits. United Health Group Incorporated and SA Benefits both submitted proposals, however, SA Benefits submitted two (2) cost proposals from different companies for consideration.

Evaluation was based on the following factors:

- Pricing – 50%
- Meets/exceeds requirements – 50%

Final results showed United Health Group Incorporated with the overall highest scores without respect to pricing. Additionally, United Health Group Incorporated had the lowest pricing of approximately \$1,464,982 for the nine months ending December 31, 2015. The Evaluation Committee recommends the contract be awarded to United Health Group Incorporated in the estimated total amount of \$1,464,982 based upon the lowest price as well as administration of claims.

Failure to award this contract would result in the City taking on additional risk for catastrophic claims.

CITY OF PLANO

RFP No.: 2015-106-C
RFP for STOP LOSS INSURANCE
RFP RECAP

RFP Opening Date/Time: **Monday, January 2, 2015 @ 3:00 p.m. (CST)**

Number of Vendors Notified: 3823

Vendors Submitting "No Bids": None

Number of Proposals Considered: 2

Estimated Overall Cost:

United Health Group Incorporated	\$1,768,267
SA Benefits (Gerber)	\$2,281,442

Recommended Vendor(s):

United Health Group Incorporated in the total estimated amount of \$1,464,982 **(BAFO)** for a nine (9) month contract ending December 31, 2015.

I certify that the above includes all firms contacted to bid and that replies are exactly as stated.

Sharron Mason

March 11, 2015

Sharron Mason
Sr. Buyer

Date