

**IN THE COUNTY LEGISLATURE OF JACKSON COUNTY, MISSOURI**

**A RESOLUTION** awarding a twelve-month term and supply contract with three twelve-month options to extend for group life, additional life, and dependent life insurance for use countywide to the US Able Life of Little Rock, AR, under the terms and conditions of Request for Proposals No. 68-11.

**RESOLUTION #17717**, October 31, 2011

**INTRODUCED BY** Scott Burnett, County Legislator

WHEREAS, the County has a need for group life, additional life, and dependent life (AD&D) insurance for use countywide; and,

WHEREAS, the Director of Finance and Purchasing has solicited bids for this insurance on Request for Proposals No. 68-11; and,

WHEREAS, a total of twenty-four notifications were distributed and eleven responses thereon were received, with the three lowest bids as follows:

**VENDOR**

US Able Life, Little Rock, AR

ING, Minneapolis, MN

Prudential, St. Louis, MO

WHEREAS, US Able Life is a Blue Cross Blue Shield affiliated company, the County's health insurance provider; and,

WHEREAS, as part of US Able Life's proposal, Blue Cross Blue Shield offered a one percent reduction on the County's health insurance premiums for 2012, a savings to the County of approximately \$120,000.00; and,

WHEREAS, the Director of Finance and Purchasing has determined that the health insurance savings proposed by US Able Life's bid, combined with its cost for life insurance, makes its bid lowest and best; and,

WHEREAS, the Director of Finance and Purchasing recommends the award of a twelve-month term and supply contract with three twelve-month options to extend for the furnishing of group life insurance and AD&D coverage for use countywide to US Able Life of Little Rock, AR, under the terms and conditions of RFP No. 68-11, for the reason that it has submitted the lowest and best bid; and,


WHEREAS, this award is made on an as needed basis and does not obligate the County to pay any specific amount; now therefore,

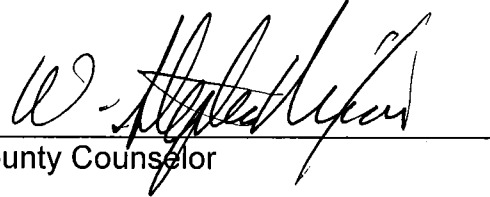
BE IT RESOLVED by the County Legislature of Jackson County, Missouri, that award be made as recommended by the Director of Finance and Purchasing, and that the Director be, and is hereby authorized, to execute for the County any and all documents necessary to the accomplishment of the award; and,

BE IT FURTHER RESOLVED that the Director of Finance and Purchasing be and hereby is authorized to make all payments including final payment on the contract.

Effective Date: This Resolution shall be effective immediately upon its passage by a majority of the Legislature.

APPROVED AS TO FORM:

  
Chief Deputy County Counselor

  
County Counselor

Certificate of Passage

I hereby certify that the attached resolution, Resolution #17717 of October 31, 2011, was duly passed on October 31, 2011 by the Jackson County Legislature. The votes thereon were as follows:

Yeas 8

Nays 0

Abstaining 0


Absent 1

11-1-11  
Date

  
Mary Jo Spino, Clerk of Legislature

This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases is subject to annual appropriations.

October 27, 2011  
Date

  
Director of Finance and Purchasing

# REQUEST FOR LEGISLATIVE ACTION

Completed by County Counselor's Office:

Res/Ord No.: 17717  
 Sponsor(s): Scott Burnett  
 Date: Oct. 31, 2011

SUBJECT	<p>Action Requested  <input checked="" type="checkbox"/> Resolution  <input type="checkbox"/> Ordinance</p> <p>Project/Title: <u>Awarding a Thirty-Six Month Term and Supply Contract with three Twelve-Month extension options for the furnishing of Group Life Insurance and AD&amp;D (Additional Life and Dependent Life) Programs for County Wide use to USable Life of Little Rock, Arkansas; under the Terms and Conditions of Request for Proposal No. 68-11.</u></p>																
BUDGET INFORMATION <i>To be completed By Requesting Department and Finance</i>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:80%;">Amount authorized by this legislation this fiscal year:</td> <td style="width:20%; text-align: right;">\$</td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td style="text-align: right;">\$</td> </tr> <tr> <td>Source of funding (name of fund) and account code number; FROM / TO</td> <td>           FROM ACCT             TO ACCT         </td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p> <p>OTHER FINANCIAL INFORMATION:</p> <p><input type="checkbox"/> No budget impact (no fiscal note required)  <input type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract:      Department: Human Resources      Estimated Use: \$46,305.00</p> <p>The RLA only approves the term and supply contract; funds were already appropriated through the annual budget adoption. Figures included in the background section are for informational purposes to provide an estimate of contract value.</p> <p>Prior Year Budget (if applicable):          Prior Year Actual Amount Spent (if applicable):</p>	Amount authorized by this legislation this fiscal year:	\$	Amount previously authorized this fiscal year:	\$	Total amount authorized after this legislative action:	\$	Amount budgeted for this item * (including transfers):	\$	Source of funding (name of fund) and account code number; FROM / TO	FROM ACCT  TO ACCT						
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PRIOR LEGISLATION	<p>Prior ordinances and (date): N/A          Prior resolutions and (date): N/A</p>																
CONTACT INFORMATION	<p>RLA drafted by (name, title, &amp; phone): Teddy Ballard, Senior Buyer, 881-3465</p>																
REQUEST SUMMARY	<p>Human Resources requested our Group Life Insurance and AD&amp;D Programs to be bid. Purchasing issued Invitation to Bid No. 68-11.</p> <p>A total of 24 notifications were distributed and the following 11 responses were received:</p> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:50%;"></th> <th style="width:15%;">GROUP LIFE PER \$1,000</th> <th style="width:15%;">ADDITIONAL LIFE PER \$1,000</th> <th style="width:20%;">DEPENDENT LIFE \$10,000 SPOUSE / \$5,000 CHILD</th> </tr> </thead> <tbody> <tr> <td>BIDDER</td> <td></td> <td></td> <td></td> </tr> <tr> <td>USable Life, Little Rock, AR</td> <td style="text-align: center;">0.13</td> <td style="text-align: center;">0.02</td> <td style="text-align: center;">2.50</td> </tr> <tr> <td>Cigna Group Insurance, Overland Park, KS</td> <td style="text-align: center;">0.12</td> <td style="text-align: center;">0.17</td> <td style="text-align: center;">2.50</td> </tr> </tbody> </table>		GROUP LIFE PER \$1,000	ADDITIONAL LIFE PER \$1,000	DEPENDENT LIFE \$10,000 SPOUSE / \$5,000 CHILD	BIDDER				USable Life, Little Rock, AR	0.13	0.02	2.50	Cigna Group Insurance, Overland Park, KS	0.12	0.17	2.50
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Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the \_\_\_\_\_ Fund in \_\_\_\_\_.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance # \_\_\_\_\_
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.



## **HUMAN RESOURCES**

JACKSON COUNTY COURTHOUSE  
415 EAST 12TH STREET, 1<sup>st</sup> FLOOR  
KANSAS CITY, MISSOURI 64106-2752

816-881-3135  
FAX: 816-881-3474

### **MEMORANDUM**

**TO:** Teddy Ballard, Senior Buyer

**FROM:** Joanne R. Mossie, Director of Human Resources  
Rochelle Neal, Deputy Director of Human Resources

**DATE:** October 26, 2011

**RE:** Recommendation for Group Life and AD&D – RFP 68-11

The County received 11 bids from Metlife (current provider), ING, Prudential, Minnesota Life/Securian, The Standard, Cigna, USABLE Life, UNUM, The Hartford, Sun Life Financial, and Humana. After considering the evaluation criteria, we recommend that Group Life be awarded to USABLE Life. With a reduction in rates of \$0.01 for County provided Life/AD&D and while dependent life and optional life (employee paid) rates remain the same as 2011 rates combined with a 1% discount (discounting the 4.9% renewal to 3.9% - a savings to the county of approximately \$119,000 annually based on the 2012 renewal) on health insurance rates (as provided by Blue Cross Blue Shield of Kansas City), USABLE Life is the lowest and best bid. USABLE Life will offer Group Life (\$15,000 maximum) at \$0.13 per \$1,000, Group AD&D (\$15,000 maximum) at \$0.02, and Dependent Life (\$10,000 Spouse/\$5,000) \$2.50 per family unit. The overall cost for the County to provide Group Term Life/AD&D to 1,715 eligible employees will be \$46,305.00 annually. Additionally, USABLE Life has guaranteed rates for 3 years, beginning January 1, 2012 through December 31, 2014.

Additionally, a memo from Blue Cross Blue Shield proposing a 1% discount on health insurance rates if USABLE Life is the awarded the bid is included.

cc: Fred Siems, Chief Administrative Officer  
Shelley Temple Kneuvean, Deputy Chief Administrative Officer





**BlueCross BlueShield  
of Kansas City**

An Independent Licensee of the  
Blue Cross and Blue Shield Association

October 24, 2011

Joshua Garry, President  
Garry and Associates  
135 E 20<sup>th</sup> Avenue  
North Kansas City, MO 64116

Re: Jackson County – USABLE Life Quote

Dear Josh,

We recently provided a direct quote to Jackson County for Group Life Insurance, Group AD&D, Group Dependent Life and Supplemental Life Insurance coverage as requested by the County. If the County elects to offer these lines of coverage in conjunction with their medical lines of coverage, and you are appointed as broker for both Medical and Life, BlueCross BlueShield of Kansas City will discount the medical plan premiums by 1% for the 1/2012 plan year. This reduction is only available if bundled together with the Medical Products.

Renewal rates without the 1% reduction are as follows:

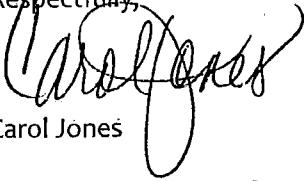
BC Low	BC High	PCB
\$403.68	\$465.28	\$637.82
\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00
\$1,122.04	\$1,293.28	\$1,767.54

Renewal rates with the 1% reduction would be:

BC Low	BC High	PCB
\$399.64	\$460.64	\$631.44
\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00
\$1,110.82	\$1,280.36	\$1,749.88

Let me know if the County chooses to work with you to receive this option. If you have additional questions, let me know,

Respectfully,



Carol Jones

Senior Account Executive

BlueCross BlueShield of Kansas City