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 USAble 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

USAble Life, Little Rock, AR

ING, Minneapolis, MN

Prudential, St. Louis, MO

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

WHEREAS, as part of USAble 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 USAble 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 USAble 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
	County Counsalor
Certificate of Passage	
l hereby certify that the attached resol 2011, was duly passed on <u></u> <u> </u>	ution, Resolution #17717 of October 31, <u>A 3/</u> , 2011 by the n were as follows:
Yeas Nays	
Abstaining	Absent
11-1-11	Mary Spino
Date	Mary Jo Spino, Clerk of Legislature
This award is made on a need basis and does specific amount. The availability of funds for appropriations.	
October 27,2011	Director of Finance and Purchasing

REQUEST FOR LEGISLATIVE ACTION

Completed by County Counselor's Office:

Res **Arck**No.:

17717

Sponsor(s):
Date:

Scott Burnett Oct. 31, 2011

SUBJECT Action Requested Resolution Ordinance Project/Title: Awarding a Thirty-Six Month Term and Supply Contract with three Twelve-Month extension options for the furnishing of Group Life Insurance and AD&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. BUDGET \$ INFORMATION Amount authorized by this legislation this fiscal year: \$ To be completed Amount previously authorized this fiscal year: \$ By Requesting Total amount authorized after this legislative action: Department and Amount budgeted for this item * (including Finance transfers): FROM ACCT Source of funding (name of fund) and account code number; FROM / TO TO ACCT * If account includes additional funds for other expenses, total budgeted in the account is: \$ OTHER FINANCIAL INFORMATION: No budget impact (no fiscal note required) Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract: Estimated Use: \$46,305.00 Department: Human Resources 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. Prior Year Budget (if applicable): Prior Year Actual Amount Spent (if applicable): PRIOR **LEGISLATION** Prior ordinances and (date): N/A Prior resolutions and (date): N/A CONTACT RLA drafted by (name, title, & phone): Teddy Ballard, Senior Buyer, 881-3465 INFORMATION REQUEST Human Resources requested our Group Life Insurance and AD&D Programs to be bid. Purchasing issued **SUMMARY** Invitation to Bid No. 68-11. A total of 24 notifications were distributed and the following 11 responses were received: **DEPENDENT** LIFE \$10,000 SPOUSE / **GROUP LIFE** ADDITIONAL LIFE PER \$1,000 \$5,000 CHILD PER \$1,000 BIDDER 0.02 2.50 0.13 USAble Life, Little Rock, AR 2.50 0.17 0.12 Cigna Group Insurance, Overland Park, KS

Humana Insurance Co., Overland Park, KS ING, Minneapolis, MN O.05 O.02 2.50 ING, Minneapolis, MN O.05 O.02 2.50 MetLife, Overland Park, KS O.12 O.02 2.25 Minnesota Life/Securian, St. Paul, MN O.103 O.02 2.50 Prudential, St. Louis, MO O.065 O.02 2.50 The Standard Group, Portland, OR O.109 O.02 O.02 O.02 O.03 Sun Life Financial, Overland Park, KS O.12 O.02 O.03 O.0		Hartford Life, Simsbury, CT	0.117	0.02	2.50	
ING, Minneapolis, MN MetLife, Overland Park, KS 0.12 0.02 2.50 MetLife, Overland Park, KS 0.103 0.02 2.50 Prudential, St. Louis, MO 0.065 0.02 2.50 Prudential, St. Louis, MO 1.09 0.005 0.02 2.50 The Standard Group, Portland, OR 0.109 0.02 2.50 Sun Life Financial, Overland Park, KS 0.12 0.02 2.50 Unum, Chattanooga, TN 0.13 0.035 2.50 Pursuant to Section 1054.6 of the Jackson County Code, 1984, the Director of Finance and Purchasing recommends the award for the furnishing Group Life Insurance and AD&D Programs for County Wide use USAble Life of Little Rock, Arkansas; under the Terms and Conditions of Request for Proposal No. 68-11, as the lowest and best proposal received. As a part of this proposal, Blue Cross Blue Shield, the county's health insurance provider, offered a 1% reduction on the health insurance premiums for 2012. The original renewal was 4.9%. With the award of the life insurance to their associated company USAble, the increase will be 3.9% which is a savings to the county of approximately \$120,000. This award is made on an "As Needed" basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specified purchases is subject to annual appropriations. CLEARANCE □ Tax Clearance Completed (Purchasing & Department) □ Business License Verified (Purchasing & Department) □ Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office) ATTACHMENTS Abstract of Bids, Evaluation Memo from Ms. Rochelle Neal of the Human Resources Department, and Blue Cross Blue Shield's Discount in Health Rates Proposal Department plicetor: Finance (Budget Approval): Finance (Budget Approval): Finance (Budget Approval): Judget Applicable Judget Approval): Judget Applicable Judget			0.164	0.02	2.50	
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REVIEW Department Director: Finance (Budget Approval): If applicable file to the first form of the provided approval): Date: Date: (C) 26 11 12 12 12 12 12 12	CLEARANCE	☑ Business License Verified (Purchasing & Dep☑ Chapter 6 Compliance - Affirmative Action/F	partment) Prevailing Wage (County A	_		
REVIEW Department Director: Finance (Budget Approval): If applicable flithais A found Date: Date: 10/26/1/ Division Manager: Date:	ATTACHMENTS	Abstract of Bids, Evaluation Memo from Ms. Rochelle Neal of the Human Resources Department, and Blue Cross Blue Shield's Discount in Health Rates Proposal				
If applicable for the form the form to the	REVIEW	Department Director;			/26/11	
Division Manager: Date:	(-24-11	
County Counselor's Office: Date:				Date:		
		County Counselor's Office:		Date:		

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.

Fiscal Information (to be verified by Budget Office in Finance Department)



HUMAN RESOURCES

JACKSON COUNTY COURTHOUSE 415 EAST 12TH STREET, 1st 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



October 24, 2011

Joshua Garry, President Garry and Associates 135 E 20th 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 High	РСВ
\$460.64	\$631.44
\$0.00	\$0.00
\$0.00	\$0.00
\$1,280.36	\$1,749.88
	\$460.64 \$0.00 \$0.00

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