



Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL

Legislation Text

File #: 15-4265, **Version:** 1

PROPOSED CONTRACT AMENDMENT

Department(s): Risk Management

Vendor: First Commonwealth, Inc. wholly owned subsidiary of The Guardian Life Insurance Company of America, Chicago, Illinois

Request: Authorization for the Chief Procurement Officer to extend and increase contract

Good(s) or Service(s): Employer-Sponsored Dental Insurance Benefits

Original Contract Period: 12/1/2011 - 11/30/2013, with two (2) one-year renewal options.

Proposed Contract Period Extension: 12/1/2015 - 11/30/2016

Total Current Contract Amount Authority: \$33,075,405.78

Original Approval (Board or Procurement): 1/18/12, \$8,000,000.00

Previous Board Increase(s) or Extension(s): 12/4/2013, \$16,013,382.78, 12/1/2013 - 11/30/2014; 11/19/2014, \$9,062,023.00, 12/1/2014 - 11/30/2015

Previous Chief Procurement Officer Increase(s) or Extension(s): N/A

This Increase Requested: \$8,500,000.00

Potential Fiscal Impact: FY 2016 \$8,500,000.00

Accounts: 490-177 (899-177, 499-177)

Contract Number(s): 11-87-011B

Concurrences:

The vendor has met the Minority and Women Owned Business Enterprise Ordinance.

The Chief Procurement Officer concurs.

Summary: The Department of Risk Management respectfully submits this item requesting authorization for the Office of the Chief Procurement Officer to increase and extend for one (1) year Contract # 11-87-011B with The Guardian Life Insurance Company of America, Chicago, Illinois, for employee dental insurance benefits. Annual cost of these benefits

is estimated at \$8,500,000.00.

Guardian provides dental benefits (PPO and HMO) to eligible employees and their dependents. There is no employee contribution for this coverage and the plan is administered in accordance with collectively bargained plan designs. This contract was originally awarded as a result of a Request for Proposals in accordance with the Cook County Procurement Code and Guardian was selected based on an established evaluation criteria. In 2013, the County participated in the Chicago agencies coalition (City of Chicago, Chicago Transit Authority, Chicago Public Schools, Chicago Park District) RFP process for employee dental insurance benefits. Although the County did not pursue a new contract as a result of this RFP, Guardian offered improved ASO pricing to the County which was incorporated into the duration of the contract and will be continued into Plan Year 2016. An RFP for employee dental insurance benefits will be released by the end of this year.