



# Board of Commissioners of Cook County

118 North Clark Street  
Chicago, IL

## Legislation Details (With Text)

<b>File #:</b>	15-4265	<b>Version:</b>	1	<b>Name:</b>	First Commonwealth, Inc. wholly owned subsidiary of The Guardian Life Insurance Company of America, Chicago, Illinois
<b>Type:</b>	Contract Amendment	<b>Status:</b>			Approved
<b>File created:</b>	6/29/2015	<b>In control:</b>			Board of Commissioners
<b>On agenda:</b>	7/29/2015	<b>Final action:</b>			7/29/2015
<b>Title:</b>	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.

**Sponsors:**

**Indexes:** DEANNA ZALAS, Director, Department of Risk Management

**Code sections:****Attachments:**

Date	Ver.	Action By	Action	Result
7/29/2015	1	Board of Commissioners	approve	Pass

**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.