

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Human Resources Department

AGENDA DATE: October 29, 2019

CONTACT PERSON/PHONE: Linda Ball Thomas, Human Resources Director, 915-212-1240
Bruce D. Collins, Purchasing & Strategic Sourcing Director, 915-212-1181

DISTRICT(S) AFFECTED: All

STRATEGIC GOAL: NO. 6: Set the Standard for Sound Governance and Fiscal Management

SUBJECT:

Discussion and action on the award of Solicitation No. 2019-1062R Fully Insured Medicare Advantage Plan, Under 65 years old Fully Insured Retiree Group Medical and Prescription Drug Plan to Aetna Life Insurance Company for an initial three (3) year estimated award of \$28,086,097.68. The award is to include two, one-year optional amount of \$18,724,065.12 for a total five (5) year award of \$46,810,162.80. The period of performance is from January 1, 2020 through December 31, 2020.

BACKGROUND / DISCUSSION:

This is a replacement contract that will allow the City of El Paso to provide Fully Insured Medicare Advantage Plan, Under 65 years old Fully Insured Retiree Group Medical and Prescription Drug Plan for Over 65 Retirees.

SELECTION SUMMARY

Solicitation was advertised on August 20, 2019 and August 27, 2019. The solicitation was posted on the City's website on August 20, 2019. The email (Purmail) notification was sent out on August 22, 2019. A total of nine (9) proposers were solicited; one (1) being local. An inadequate competition survey was conducted.

CONTRACT VARIANCE:

This award combines two previous separate contracts. The difference in cost, based on the comparison to the previous contracts is as follows: A 5% decrease for Under 65 years old Fully Insured Retiree Group Medical and Prescription Drug Plan due to a decrease in insurance rates. An 8% increase for Fully Insured Medicare Advantage Plan due to an increase in insurance rates. The total increase overall would be 3%, the adopted budget assumed a 10% increase for both plans.

PRIOR COUNCIL ACTION:

Motion to award contract 2017-004R was made by City Council on November 1, 2016. Motion to award contract 2016-337R was made by City Council on December 22, 2015.

AMOUNT AND SOURCE OF FUNDING:

Department: Human Resources Department
Total Estimated Award: \$46,810,162.80
Fund Source: 521120-209-3500-14045-P1414

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:

A handwritten signature in cursive script, appearing to read "Julie Anne Simon", is written over a horizontal line.

**COUNCIL PROJECT FORM
(RFP)**

*****POSTING LANGUAGE BELOW*****

Please place the following item on the **REGULAR** agenda for the Council Meeting of **October 29, 2019**.

STRATEGIC GOAL: NO. 6: SET THE STANDARD FOR SOUND GOVERNANCE AND FISCAL MANAGEMENT

Discussion and action on the award of Solicitation No. 2019-1062R Fully Insured Medicare Advantage Plan, Under 65 years old Fully Insured Retiree Group Medical and Prescription Drug Plan to Aetna Life Insurance Company for an initial three (3) year estimated award of \$28,086,097.68. The award is to include two, one-year optional amount of \$18,724,065.12 for a total five (5) year award of \$46,810,162.80. The period of performance is from January 1, 2020 through December 31, 2020.

CONTRACT VARIANCE:

This award combines two previous separate contracts. The difference in cost, based on the comparison to the previous contracts is as follows: A 5% decrease for Under 65 years old Fully Insured Retiree Group Medical and Prescription Drug Plan due to a decrease in insurance rates and an 8% increase for Fully Insured Medicare Advantage Plan due to an increase in insurance rates. The total increase overall would be 3%, the adopted budget assumed a 10% increase for both plans.

Department:	Human Resources
Award to:	Aetna Life Insurance Company Hartford, CT
Item(s):	All
Initial Term:	3 years
Option:	Two (2) additional terms of one (1) year each
Annual Estimated Award:	\$ 9,362,032.56
Initial Term Estimated Award:	\$28,086,097.68 (3 years)
Option Total:	\$18,724,065.12 (2 years)
Total Estimated Award:	\$46,810,162.80 (5 years)
Account No.:	521120-209-3500-14045-P1414
Funding Source:	Self-Insurance Fund – Non-Uniform Wages and Salaries
District(s):	All

This is a Request for Proposal, service contract.

The Purchasing & Strategic Sourcing Department and Human Resources Department recommend award as indicated to Aetna Life Insurance Company, the highest ranked proposer based on evaluation factors established for this procurement.

In accordance with this award the City Manager or designee is authorized to exercise future options if needed and that the City Attorney's Office review and that the City Manager be authorized to execute any related contract documents and agreements necessary to effectuate this award upon City Attorney's Office review.

Contact person:

Purchasing & Strategic Sourcing, Bruce D. Collins, (915) 212-1181
Human Resources, Linda B. Thomas, (915) 212-1240



COMMITTEE SCORE SHEET Request for Qualifications

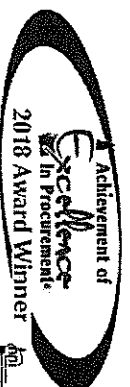
**Solicitation Title: 2019-1062R FULLY INSURED MEDICARE ADVANTAGE PLAN ONLY; UNDER 65 YEARS OLD FULLY INSURED
RETIREE GROUP MEDICAL AND PRESCRIPTION DRUG PLAN
2019-1062R**

EVALUATION CRITERIA

<u>WEIGHT</u>	<u>MAX POINTS</u>	Aetna Life Insurance Company
A. Proposal Cost		
SUBTOTAL EVALUATION FACTOR A:	30	30.00
B. Technical Solutions		
SUBTOTAL EVALUATION FACTOR B:	30	27.30
C. Quality of Response to Specification		
a) Readability, completeness, understanding of project scope	15% 15	14.00
b) Adherence to response format requirements	15% 15	14.00
SUBTOTAL EVALUATION FACTOR C:	30	28.00
D. Financial Stability		
a) Responsibility Determination	2.5% 2.5%	2.30
b) Financial Information Request	2.5% 2.5%	2.30
SUBTOTAL EVALUATION FACTOR D:	5	4.60
D. Response of References		
a) Complete projects on-time, within budget	2.5% 2.5%	1.60
b) Communicates and interacts with all staff levels and produces high-quality	2.5% 2.5%	1.60
SUBTOTAL EVALUATION FACTOR D:	5	3.20
Grand Total	100% 100	93.10



**CITY OF EL PASO
REQUEST FOR PROPOSALS TABULATION FORM**



Bid Opening Date: September 18, 2019

Solicitation #: 2019-1062R

Project Name: Fully Insured Medicare Advantage Plan, Under 65 Years Old Fully Insured Retiree Group Medical and Prescription Drug Plan

Department: Human Resources

BIDDER'S NAME:	LOCATION:	AMENDMENT(S) ACKNOWLEDGED:
Aetna Life Insurance Company	Hartford, CT	Yes
RFPs SOLICITED: 9 LOCAL RFPs SOLICITED: 1 RFPs RECEIVED: 1 LOCAL RFPs RECEIVED: 0 NO BIDS: 0		

NOTE: The information contained in this RFP tabulation is for information only and does not constitute actual award/execution of contract.

Approved: _____/s/_____
Date: 9/23/2019

2019-1062R Fully Insured Medicare Advantage Plan, Under 65 Years Old Fully Insured Retiree Group Medical and Prescription Drug Plan

BIDDERS LIST – 2019-1062R – FULLY INSURED MEDICARE ADVANTAGE PLAN; UNDER 65 YEARS OLD FULLY INSURED RETIREE
GROUP MEDICAL AND PRESCRIPTION DRUG PLAN

TEXAS MUNICIPAL LEAGUE
1821 RUTHERFORD LAND, STE. 300
AUSTIN, TX 78754
512-719-6745

HUMANA
ATTN: NICK ARNOLD
1221 SOUTH MOPAC EXPRESSWAY, SUITE
300
AUSTIN, TX 78746

UNITEDHEALTHCARE
ATTN: PAUL NORMAN
12018 SUNRISE VALLEY DRIVE, SUITE 400
RESTON, VA 20191
571-262-2279

AETNA
LOUIE HEERWAGEN
4300 CENTERWAY
ARLINGTON, TX 76018
817-417-1792

FERNIE ARCHULETA
MEDICARE REGIONAL SALES MANAGER
BLUE CROSS AND BLUE SHIELD OF TEXAS
118 MESA PARK DR
EL PASO, TX 79912

ANGELIC TELLES
GOLDEN OUTLOOK
14717 SUMMIT BREEZE AVE.
HORIZON CITY TX 79928
915-479-4508

STAR ROBBINS & CO.
ATTN: WALTER KUSIAK
853 E 4TH ST.
LONDON, KY 40741

ZOE HOLMES-MARSH USA INC.
4400 BANK ONE CENTER
1717 MAIN STREET
DALLAS, TX 75201-7357

ATTN: RALPH CAMPBELL
MCKINLEY FINANCIAL SERVICES
545 NORTH ANDREWS AVENUE
FORT LAUDERDALE, FL 33301