

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

**DEPARTMENT:** Human Resources, Benefit Services

**AGENDA DATE:** November 1, 2016

**CONTACT PERSON NAME AND PHONE NUMBER:** Bruce D. Collins, 212-1181  
Linda Ball Thomas, 212-1240

**DISTRICT(S) AFFECTED:** All

**STRATEGIC GOAL:**

Goal 6: Set the Standard for Sound Governance and Fiscal Management

**SUBJECT:**

Discussion and action on the award of Solicitation No. 2017-004R Fully Insured Advantage Plan Only; Under 65 Years Fully Insured Retiree Group Medical and Prescription Drug Plan to Aetna Life Insurance Company for a total estimated award of \$6,982,221.60. The award is to include a two, one-year optional amount of \$13,964,443.20 for a total three (3) year award of \$20,946,664.80.

**BACKGROUND / DISCUSSION:**

This Solicitation was released on August 23, 2016 and received three submissions for the Medicare Advantage Plan from Aetna Life Insurance Company, Humana, and United Healthcare. The Under 65 Plans received one submission from Aetna Life Insurance Company. The evaluation committee's ratings were compiled and recommended Aetna Life Insurance Company for the award. Evaluation factors reviewed included Quality of Responses to the City's Scope of Work and required questionnaire, Technical Solutions, Financial Stability, and the Fee Proposal and were rated accordingly. Based on the number of City of El Paso and El Paso Water Utility retirees, the Aetna rates from this solicitation will have a monthly cost avoidance of \$52,726 from the budgeted rates for FY2017 rates. This will also avoid a rate increase for 99.3% of retirees Calendar Year 2017 as well as align the plan designs to mirror the health plan design as active employees.

**SELECTION SUMMARY:**

Solicitation was advertised on August 23, 2016 and August 30, 2016. The solicitation was posted on City website on August 23, 2016. The email (Purmail) notification was sent out on August 25, 2016. Total of nine (9) bidders were solicited; one (1) local vendors. Three (3) proposals were received; none local vendors.

**PROTEST**

No protest received for this requirement.

**COUNCIL REPRESENTATIVE BRIEFING:**

Was a briefing provided?  Yes or  No

If yes, select the applicable districts.

- District 1
- District 2
- District 3
- District 4
- District 5
- District 6
- District 7
- District 8

All Districts

**PRIOR COUNCIL ACTION:**

Fully Insured Medicare Advantage Plan and Under 65 Retiree medical and pharmacy plans were originally awarded on March 13, 2012 to Aetna Life Insurance Company.

**AMOUNT AND SOURCE OF FUNDING:**

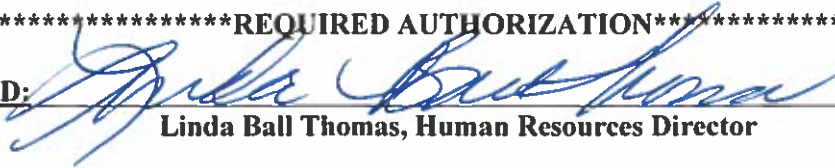
Aetna Life Insurance Company: \$6,982,221.60 (one year) from funding source 209-3500-14045-P1414 with two one-year options to extend

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**BOARD / COMMISSION ACTION:** N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**

  
Linda Ball Thomas, Human Resources Director

**COUNCIL PROJECT FORM  
(RFP OR RFQ)**

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

Please place the following item on the **REGULAR** agenda for the Council Meeting of **November 1, 2016**.

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

Discussion and action on the award of Solicitation No. 2017-004R Fully Insured Advantage Plan Only; Under 65 Years Fully Insured Retiree Group Medical and Prescription Drug Plan to Aetna Life Insurance Company for a total estimated award of \$6,982,221.60. The award is to include two, one-year optional amount of \$13,964,443.20 for a total three (3) year award of \$20,946,664.80. The period of performance is from January 1, 2017 through December 31, 2017.

Department:	Human Resources
Award to:	Aetna Life Insurance Company Hartford, CT
Item(s):	All
Option:	Two, One-year options
Annual Estimated Award:	\$6,982,221.60
Initial Term Estimated Award:	\$6,982,221.60 (1 year)
Option Total	\$13,964,443.20 (2 years)
Total Estimated Award:	\$20,946,664.80 (3 years)
Account No.:	209 – 3500 – 501000 - 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 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.

Additionally, it is requested 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.

\*\*\*\*\***ADDITIONAL INFO BELOW**\*\*\*\*\*



**COMMITTEE SCORE SHEET**  
**Request for Qualifications**  
**Fully Insured Medicare Advantage Plan Only; Under 65 Years Fully Insured Retiree**  
**Group Medical and Prescription Drug Plan Human Resources**  
**SOLICITATION NO: 2017-004R**

<u>Evaluation Criteria</u>	<u>Weight</u>	<u>Max Points</u>	AETNA HARTFORD, CT	HUMANA LOUISVILLE, KY	UNITED HEALTHCARE ATLANTA, GA
<b>A. Fee Proposal</b>			\$6,685,176.60		
Under 65 Retirees			30.00	No Bid	No Bid
Over 65 Retirees Medicare Advantage			\$297,045.00	\$1,094,444.52	\$715,680.00
			30.00	8.14	12.45
<b>SUBTOTAL EVALUATION FACTOR A (Under 65):</b>	30%	30	30.00	No Bid	No Bid
<b>SUBTOTAL EVALUATION FACTOR A (Over 65 Medicare Advantage):</b>			30.00	8.14	12.45
<b>B. Technical Solutions</b>					
Evaluated on the extent to which the services offered meet the described Scope of Work, responsiveness to the terms, conditions, and specifications contained in this RFP, the willingness and ability of the Proposer to work well with any other awarded Proposers, customer service representation and support, and the capabilities of the Proposer to accommodate the future needs or requests of the City El Paso.					
<b>SUBTOTAL EVALUATION FACTOR B:</b>	30%	30	28.00	22.33	21.33
<b>C. Quality of Response</b>					
A. Readability, completeness, understanding of project scope (15 Points)					
B. Adherence to response format requirements (15 Points)					
<b>SUBTOTAL EVALUATION FACTOR C:</b>	30%	30	28.33	26.00	23.00
<b>D. Financial Stability</b>					
A. See Responsibility Determination section below (2.5 Points)					
B. See Financial Information Request from Retiree RFP Questionnaire (2.5 Points)					
<b>SUBTOTAL EVALUATION FACTOR D:</b>	5%	5.0	5.00	5.00	5.00
<b>E. Response of References</b>					
A. Complete projects on-time, within budget (2.5 Points)					
B. Communicates and interacts with all staff levels and produces high-quality results (2.5 Points)					
<b>SUBTOTAL EVALUATION FACTOR E:</b>	5%	5.0	1.67	3.33	0.00
<b>Under 65 Retirees</b>	100%	100	93.00	No Bid	No Bid
<b>Over 65 Retirees Medicare Advantage</b>	100%	100	93.00	64.81	61.78



# CITY OF EL PASO REQUEST FOR PROPOSAL TABULATION FORM



**Project Name: FULLY INSURED MEDICARE ADVANTAGE PLAN ONLY; UNDER 65 YEARS OLD  
FULLY INSURED RETIREE GROUP MEDICAL AND PRESCRIPTION DRUG PLAN HUMAN RESOURCES**

**Solicitation #: 2017-004R**

**Bid Opening Date: SEPTEMBER 28, 2016**

**Department: HUMAN RESOURCES**

<b>AETNA</b>	<b>HARTFORD, CT</b>
<b>HUMANA</b>	<b>LOUISVILLE, KY</b>
<b>UNITED HEALTHCARE</b>	<b>ATLANTA, GA</b>
<b>RFPs SOLICITED: 9</b>	<b>LOCAL RFPs SOLICITED: 1</b>
<b>RFPs RECEIVED: 3</b>	<b>LOCAL RFPs RECEIVED: 0</b>
<b>NO BIDS: 0</b>	

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

**APPROVED:**

**DATE:** 10/24/16

TEXAS MUNICIPAL LEAGUE  
ATTN: Lou Arias  
1821 RUTHERFORD LAND, STE. 300  
AUSTIN, TX 78754

Aetna  
Louie Heerwagen  
4300 Centerway  
Arlington, TX 76018

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

HUMANA  
ATTN: Nick Arnold  
1221 South Mopac Expressway, Ste  
300  
Austin, TX 78746

**Fernie Archuleta**  
**Medicare Regional Sales Manager**  
**Blue Cross and Blue Shield of Texas**  
118 Mesa Park Dr  
El Paso, TX 79912

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

UNITEDHEALTHCARE  
ATTN: PAUL NORMAN  
12018 Sunrise Valley Drive, Suite 400  
Reston, VA 20191

Angelic Telles  
Golden Outlook  
14717 Summit Breeze Ave.  
Horizon City TX 79928

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

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DEPARTMENT HEAD'S AGENDA ITEM CHECK LIST

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Primary User Department:

Human Resources

Secondary User Department:

I have verified the following:

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Posting Language

The accuracy of the agenda posting language, including addresses and the correct District number.

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Documentation

All electronic and hard copy documents (resolutions, ordinance, contracts, leases, agreements) with all required signatures are attached to the agenda submittal and delivered to the City Clerk's Office. This includes the department head's signature, the City Attorney's signature (if required) and the other party's signature (if required).

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City Management Leadership

I have cleared this item for placement through my supervisor in the City Manager's Office

Please select name

Nancy Bartlett

Contacted

By Phone

In Person

By E-Mail

Date

09/27/2016

Time

7a

Board / Commission Action

Not Applicable

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Strategic Briefing Review

Date:

I presented the Power Point for this item at SBR on

10/19/2016

Item was not required to be presented at SBR

Draft Agenda prepared 30 - 60 days in advance

The Power Point has been revised to reflect the feedback received at SBR.

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Briefing Request

I or my staff member(s), have briefed the affected City Council members, specifically,

ALL	<input type="checkbox"/>	Date	<input type="text"/>	Time	<input type="text"/>
Mayor Leaser	<input type="checkbox"/>	Date	<input type="text"/>	Time	<input type="text"/>
District #1	<input type="checkbox"/>	Date	<input type="text"/>	Time	<input type="text"/>
District #2	<input type="checkbox"/>	Date	<input type="text"/>	Time	<input type="text"/>
District #3	<input type="checkbox"/>	Date	<input type="text"/>	Time	<input type="text"/>
District #4	<input type="checkbox"/>	Date	<input type="text"/>	Time	<input type="text"/>
District #5	<input type="checkbox"/>	Date	<input type="text"/>	Time	<input type="text"/>
District #6	<input type="checkbox"/>	Date	<input type="text"/>	Time	<input type="text"/>
District #7	<input type="checkbox"/>	Date	<input type="text"/>	Time	<input type="text"/>
District #8	<input type="checkbox"/>	Date	<input type="text"/>	Time	<input type="text"/>

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Source of Funding

There is available funding for this item in the proper account. The amount of the item and the funding source are correct.

Signature



Date:

