

EXECUTIVE SUMMARY

19-020V – Group Term Life and Accidental Death and Dismemberment (AD&D) Insurance for School Board Employees

The current contract with the District's Group Term Life and Accidental Death and Dismemberment (AD&D) vendor, Mutual of Omaha expires on December 31, 2018. On November 15, 2017, Procurement & Warehousing Services Department released RFP 19-020V- Group Term Life and AD&D Insurance for School Board Employees. Proposals were due on or before January 29, 2018.

Proposals were received from the following companies:

1. MetLife Insurance Company
2. Minnesota Life Insurance Company
3. Mutual of Omaha
4. Standard Insurance Company
5. The Hartford Life and Accident Insurance Company
6. United Healthcare Insurance Company

On March 14, 2018, the Superintendent's Insurance & Wellness Advisory Committee (SIWAC) met to evaluate the Proposals received in response to RFP 19-020V – Group Term Life and AD&D Insurance for School Board Employees. The SIWAC Members were informed that the Proposals were reviewed by the District's Benefits Consultants and Benefits Staff and it was recommended to the Committee to reject the following Proposals for the reasons noted below:

- The Hartford Life and Accident Insurance Company – the Proposer, did not meet the Minimum Eligibility Requirements of the RFP. Proposer took exception to the language in Sections 4.2.1 and 7.1 – Indemnification. Proposer did not respond to Section 4.2.5 - Staffing.
- Minnesota Life Insurance Company – the Proposer, did not meet the Minimum Eligibility Requirements of the RFP for Section 4.2.6. Proposer took exception to the language in Section 6.4 – Insurance Requirements.
- Standard Insurance Company – the Proposer, did not meet the Minimum Eligibility Requirements of the RFP for Section 4.2.6. Proposer took exception to the language in Section 6.4.7 – Insurance Requirements.
- United Healthcare Insurance Company – the Proposer, did not meet the Minimum Eligibility Requirements of the RFP, specifically Section 4.2.5 - Staffing. Proposer took exception to this provision.

The SIWAC voted unanimously to reject the above-noted Proposals for the reasons outlined above and moved forward with the evaluation of the remaining Proposals of Mutual of Omaha and MetLife Insurance Company.

The proposals for both Mutual of Omaha and MetLife Insurance Company were evaluated based on Experience and Qualifications, Scope of Services, Small/Minority/Women Business participation and Cost of Services. As a result of the evaluation, the Committee voted to select and recommend to the Superintendent of Schools, the following award:

Mutual of Omaha

As a result of issuing the Group Life Insurance RFP and negotiations with the selected company, the rate for Basic Life increased from \$0.127 per \$1,000 to \$0.145 per \$1,000. There was no change to the Basic AD&D rate of \$0.15 per \$1,000.

The Enhanced Life, Option 1 rate increased from \$0.215 per \$1,000 to \$0.24 per \$1,000. Options 2 through 5 rates increased from \$0.245 per \$1,000 to 0.275 per \$1,000. There was no change to the Enhanced AD&D rate of \$0.15 per \$1,000.

All rates are fixed for the initial three (3) year Agreement, January 1, 2019 through December 31, 2021.