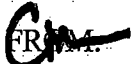




Interoffice Memorandum

August 28, 2020

TO: Mayor Jerry L. Demings
and the Board of County Commissioners

FROM:  Carrie Mathes, CFCM, CPPO, C.P.M., Manager, Procurement Division

CONTACT: Ricardo Daye, Director, Human Resources Division
(407) 836-5369

SUBJECT: Selection of Firm, Request for Proposals Y20-1026-AH, Medicare Advantage with Prescription Drug Plan, Medicare Supplement Plans and Medicare Part D Employer Group Waiver Plans

RECOMMENDATION:

Selection of Cigna Health and Life Insurance Company to provide Medicare Advantage with Prescription Drug Plan, Medicare Supplement Plans and Medicare Part D Employer Group Waiver Plans, Request for Proposals Y20-1026-AH. Request authorization for the Procurement Division to negotiate and execute a contract for a three-year term. Further request authorization for the Procurement Division to renew the contract for two additional one-year terms.

The proposals were evaluated by the Procurement Committee on August 12, 2020. Commissioner Betsy VanderLey was assigned to the Procurement Committee.

PURPOSE:

This contract will provide Group Medicare Supplemental and Medicare Advantage with Prescription Drug and Medicare Part D Employer Group Waiver Plans benefits to retirees on a fully insured basis for Orange County Government and participating agencies.

DISCUSSION:

Under this contract, the insurer shall maintain separate eligibility and have the capability of reporting participation for each agency separately. Plans will be effective on January 1, 2021. Medicare eligible retirees and Medicare eligible dependents under the age of 65 are offered the Medicare plans but allowed to remain on the self-funded plan. Medicare eligible retirees and Medicare eligible dependents age 65 and older will only be allowed to enroll in the County's Medicare plans.

The estimated annual premium will be \$1,200,000, funded entirely by participants. Although the 2021 insurance premium rates are not available, it is anticipated that the increases will range from zero to five percent over the current rates. The Medicare Advantage Plan is a new addition for 2021.

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Two proposals were received in response to this Request for Proposals. The proposals submitted by Sierra Health and Life Insurance Company, Inc. scored too low for Board consideration.

Consensus scores of the Procurement Committee are attached.

Procurement Committee Meeting - August 12, 2020 3:00pm

RFP #Y20-1026-AH, Medicare Advantage with Prescription Drug Plan, Medicare Supplement Plans and Medicare Part D Employer Group Waiver Plans

CRITERIA	Plan Administration - Qualifications of Staff and Firm	Technical Approach to Plan Design and Network Service	Fee Schedule	Total Weighted Points
Weighted Value	15	40	45	100
Cigna Health and Life Insurance Company	60.00	160.00	135.00	355.00