

Approval of Health Insurance Vendors

August 25, 2009

SUMMARY:

This item requests approval of the health insurance vendors for the 2010 benefit year. The changes will be effective January 1, 2010.

PREVIOUS BOARD ACTION:

For discussion purposes, on August 11, 2009, the Board was presented with the recommended changes in vendors and their respective products for the 2010 plan year.

BACKGROUND INFORMATION:

Denton ISD offers a variety of health and health related products to its employees for their selection. On May 1, 2009 the insurance staff sent Requests for Proposals out on several types of products as contracts were due for renewal. A total of 31 responses, with 175 options, were received and opened on June 22, 2009. On July 14, 2009, the options were presented to the Employee Insurance Committee for their review and evaluation. On August 11, 2009, the staff's recommendations, along with the Committee's consensus were presented to the Board for discussion.

SIGNIFICANT ISSUES:

The plan year will begin January 1, 2010. Employees will receive a benefits booklet that contains all plan options and rates prior to the beginning of the open enrollment process. Open enrollment is scheduled to begin on November 1 and end on November 20, 2009.

FISCAL IMPLICATIONS:

Every effort is made to select the most cost effective product without diminishing the quality being offered. With the exception of the fully insured dental recommendation, each recommended vendor represents a status quo in employee premium or a reduction in employee premiums.

BENEFIT OF ACTION:

Approval of the recommended changes will allow the insurance personnel to proceed with the open enrollment preparations.

PROCEDURAL AND REPORTING IMPLICATIONS:

None

PUBLIC COMMENT RECEIVED:

None

ALTERNATIVES:

None

OTHER COMMENTS:

SUPERINTENDENT'S RECOMMENDATION:

The recommended vendors are as follows:

- United HealthCare-Medical Claims Administration (Current vendor is being recommended)
- United HealthCare-Flexible Spending Account Adm (Current vendor is being recommended)
- United HealthCare-Employee Assistance Program (EAP) (Current vendor is being recommended)
- Superior Vision –Voluntary Vision Plan (Current vendor is being recommended)
- MetLife – Fully insured Dental (Current vendor is being recommended)
- QCD of America – Dental DMO/PPO (Current vendor is being recommended)
- Fort Dearborn- Voluntary Short & Long Term Disability
- ING – Basic Life & Voluntary Life
- Humana – Cancer Protection Plan

STAFF PERSONS RESPONSIBLE:

Sally Havey, Insurance Coordinator

Debbie Monschke, Executive Director of Budget and Finance

ATTACHMENT:

Smith & Associates Consulting – Recommendation Letter
2010 Vendor RFP response spreadsheet

APPROVAL:

Signature of Staff Member Proposing Recommendation: _____

Comments: _____

Signature of Divisional Leader: _____

Comments: _____

Signature of Superintendent: _____

Comments: _____