


Executive Summary of Board Agenda Item

Subject/Title for Agenda Posting: Discussion and possible action regarding the award of RFP 2027-046 Self-Funded Medical, Pharmacy Benefit Management, Specific Stop Loss Insurance, Near Site Clinic, HSA and COBRA Administration

Justification Statement: The District has benefited from current Aetna contract award. Due to the insurance market increasing making it less affordable for CISD staff.

Purpose of Agenda Item: Information Discussion Action
Item Type: Curriculum & Instruction Human Resources Business Services

Staff Responsible: Martha Carrasco / Veronica Campbell
Signature of Requester(s)
Martha Carrasco/ Veronica Campbell
Signature of Presenter(s)
 06/12/2026
Business Services Approval (Initials) *Date*

Agenda Summary:

As stated in Board Policy CH (Local) any single, budgeted purchase of goods or services that cost \$50,000 or more, regardless of whether the goods, or services are competitively purchased, shall require Board approval before a transaction may take place. The District is currently participating in the Health Plan and services provided by Aetna. The current contract has not afforded accommodations or flexibility to current local employment and District adjustments. It was necessary to review the local insurance market for competitive pricing and program affordability to accommodate the District needs.

The District issued RFP 2026-046 for Self-Funded Medical, Pharmacy Benefit Management, Specific Stop Loss Insurance, Near Site Clinic, HSA and COBRA on April 9, 2026 with responses due April 28, 2026. The District's insurance consultant assisted with phase one of evaluation process and reviewed the responses to support the RFP 2026-046 scope of work. Additionally, Gallagher (the District's consultant) provided the Best and Final Offer to determine the three (3) most responsive bidders. The District performed phase two of the evaluation process by evaluating the three (3) most responsive bidders.

The Evaluation Committee selected the top ranked bidder with Evaluation Committee Score Sheet attached.

The Administration recommends that the Board of Trustees approve to enter into negotiation to secure a contract with the highest ranked vendor(s). If negotiations are not successful, the Board of Trustees may consider other options.

RECOMMENDATION:

PRIOR BOARD ACTION: **AWARDED:** **AWARDED AMOUNT:**

AMOUNT(S):

ACCOUNT NO(S):

PROCUREMENT METHOD TYPE: (3 Quotes, Cooperative Contract Quotes, Sole Source, Formal Bid)

REQUESTING DEPARTMENT:

CONSEQUENCES OF NON-APPROVAL:

IMPLEMENTATION TIMELINE:

ATTACHMENT(S): ✓



Overall Evaluation Score Sheet

RFP 2026-046 Self Funded Medical, Pharmacy Benefit Management,

Procurement type Specific Stop Loss Insurance, Near Site Clinic, HAS, COBRA

Campus/Dept: Human Resources

(In alphabetical order)	Vendor #1	Vendor #2	Vendor #3
<i>Overall Evaluation Score Sheet</i>	Aetna	Blue Cross Blue Shield	Cigna
Purchase Price			
TOTAL# of points	29.60	21.00	19.00
Reputation of the Proposer's Goods and Services			
TOTAL# of points	8.20	8.20	6.60
The Quality of the Proposer's Goods or Services to Include technical solution			
TOTAL# of points	13.40	11.60	9.80
The extent to which the goods or services meet the District's needs			
TOTAL# of points	14.00	10.80	9.80
Past Relationship with the District			
TOTAL# of points	4.00	4.00	0.60
The impact on the ability of the district to comply with laws and rules related to historically underutilized businesses			
TOTAL# of points	0		
The long-term cost to the district to acquire the vendor's goods or services			
TOTAL# of points	23.60	11.00	12.00
TOTAL SCORE	92.80	66.60	57.80

Evaluation Completed by Committee on June 8, 2026



Canutillo ISD Benefit RFP

June 23rd, 2026



Gallagher

Insurance | Risk Management | Consulting

RFP Methodology

Questionnaire

- Overall review of carriers and services offered is completed
- Evaluation of carriers' ability to manage the District's plans and needs is conducted

Discount Analysis (Completed during BAFO)

- Discounts are evaluated based on our Uniform Discount Standard (UDS) database
- Savings or costs are then evaluated from a percent and dollar impact viewpoint

Fee Analysis

- Administration fees are analyzed

Medical and Pharmacy Projection

Financial Category Scenario Description	1/1/2026 - 12/31/2026	1/1/2026 - 12/31/2026	1/1/2027 - 12/31/2027	1/1/2027 - 12/31/2027	1/1/2027 - 12/31/2027
	Budget	Latest Estimate	Projection	Alternative 1 BCBS ⁽²⁾	Alternative 2 Cigna ⁽²⁾
Medical Trend		9.0%	9.0%	9.0%	9.0%
RX Trend		11.00%	11.00%	11.0%	11.0%
Stop Loss Deductible	\$175,000	\$175,000	\$175,000	\$175,000	\$175,000
Average Subscribers	477	477	477	477	477
PEPM Variable Costs					
Medical Cost (Net ISL)		\$643.86	\$701.81	\$686.95	\$711.30
Pharmacy Cost (Net ISL)		\$432.56	\$478.94	\$487.13	\$485.50
PEPM Variable Total		\$1,076.42	\$1,181.95	\$1,174.08	\$1,196.79
PEPM Fixed Costs					
Administrative Fee ^a		\$36.50	\$35.50	\$63.44	\$59.56
ISL Stop-Loss Fee ⁽¹⁾		\$188.67	\$242.81	\$242.81	\$242.81
Rx Rebates		-\$90.07	-\$102.48	-\$80.20	-\$121.51
Rx Admin Fee		\$2.20	\$1.33	\$8.94	\$11.12
PEPM Fixed Costs Total		\$137.30	\$177.16	\$235.00	\$191.97
PEPM Total Gross Cost	\$990.58	\$1,213.72	\$1,359.11	\$1,409.08	\$1,388.77
Annual Total Gross Cost	\$5,670,000	\$6,947,000	\$7,780,000	\$8,066,000	\$7,949,000
PEPM Employee Contributions	\$267.58	\$267.58	\$267.58	\$267.58	\$267.58
Annual Employee Contributions	\$1,532,000	\$1,532,000	\$1,532,000	\$1,532,000	\$1,532,000
PEPM Total Net Cost	\$723.00	\$946.14	\$1,091.53	\$1,141.50	\$1,121.19
Annual Total Net Cost	\$4,138,000	\$5,416,000	\$6,248,000	\$6,534,000	\$6,418,000
Annual					
Δ Change vs. 2026 Gross Budget		\$1,277,000	\$2,110,000	\$2,396,000	\$2,279,000
Δ Change vs. Latest Estimate			\$833,000	\$1,119,000	\$1,002,000
PEPM					
Δ Change vs. 2026 Gross Budget		\$223.14 22.5%	\$368.53 37.2%	\$418.50 42.2%	\$398.19 40.2%
Δ Change vs. Latest Estimate			\$145.39 12.0%	\$195.36 16.1%	\$175.05 14.4%

(1) Stop Loss Fees are Illustrative

(2) Early Termination Fee for PBM contract is \$5.00 per Member

Recommendations

Medical

Aetna

No Employee
Disruption

Cross border care
(Mexico)

Pharmacy

Aetna
(CVS Caremark)

Integration with
Medical

Increased Pharmacy
rebates
Updated termination
language

Stop Loss

Aetna

Integration with
Medical

Claims over the Stop
Loss level are covered
immediately, not
reimbursed.

COBRA

Aetna
(Inspira)

Integration with
Medical

HSA

Aetna
(Inspira)

Integration with
Medical

Appendix

Respondents

Carrier	AM Best Rating	Line of Coverage	Status
Aetna	A/XV	Medical, Rx, Stop Loss, HSA, COBRA	BAFO
BPP Admin	NR	COBRA, HSA	Initial
BCBSTX	A+/XV	Medical, Rx, Stop Loss	BAFO
Cigna	A/XV	Medical, Rx, HSA	BAFO
Care ATC	NR	Near Site Clinic	Initial
Curative	A-	Medical, Rx	Uncompetitive
Gulf Coast Educators	NR	HSA	Initial
NBS	NR	COBRA, HSA	Initial
RxBenefits	NR	Rx	Initial
TEB	NR	COBRA, HSA	Initial
TASC	NR	COBRA, HSA	Initial
Wex	NR	COBRA, HSA	Initial

*While Gallagher does not guarantee the financial viability of any health insurance carrier or market, it is an area we recommend that clients closely scrutinize when selecting a health insurance carrier. There are a number of rating agencies that can be referred to including, A.M. Best, Fitch, Moody's, Standard & Poor's, and Weiss Ratings (The Street.com). Generally, agencies that provide ratings of Health Insurers, including traditional insurance companies and other managed care organizations, reflect their opinion based on a comprehensive quantitative and qualitative evaluation of a company's financial strength, operating performance and market profile. However, these ratings are not a warranty of an insurer's current or future ability to meet its contractual obligations.

Thank You!

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General Disclaimers

Coverage Disclaimer

This proposal is an outline of the coverages proposed by the carrier(s) based upon the information provided by your company. It does not include all the terms, coverages, exclusions, limitations, and conditions of the actual contract language. See the policies and contracts for actual language. This proposal is not a contract and offers no contractual obligation on behalf of GBS. Policy forms for your reference will be made available upon request.

Renewal / Financial Disclaimer

This analysis is for illustrative purposes only, and is not a proposal for coverage or a guarantee of future expenses, claims costs, managed care savings, etc. There are many variables that can affect future health care costs including utilization patterns, catastrophic claims, changes in plan design, health care trend increases, etc. This analysis does not amend, extend, or alter the coverage provided by the actual insurance policies and contracts. See your policy or contact us for specific information or further details in this regard.

Legal

The intent of this analysis is to provide you with general information regarding the status of, and/or potential concerns related to, your current employee benefits environment. It should not be construed as, nor is it intended to provide, legal advice. Laws may be complex and subject to change. This information is based on current interpretation of the law and is not guaranteed. Questions regarding specific issues should be addressed by legal counsel who specializes in this practice area.