



# Broward County

## Legislation Text

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File #: 21-1519, Version: 1

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### **Broward County Commission Regular Meeting**

**Director's Name:** George Tablack

**Department:** Finance and Administrative Services    **Division:** Purchasing

### **Information**

#### **Requested Action**

**MOTION TO APPROVE** Agreement between Broward County and United Healthcare Services, Inc., for Administrative Management Services for Self-Insured Group Health Insurance Coverage and Benefits and Pharmacy Benefit Management Services for Broward County Benefits-eligible Individuals (RFP No. TEC2122482P1), for the Human Resources Division, for an initial three-year period in the estimated annual amount of \$70,500,000; and authorize the Director of Purchasing to renew the Agreement for two additional one-year terms, and authorize the Mayor and Clerk to execute same.

#### **Why Action is Necessary**

In accordance with the Broward County Procurement Code, Section 21.47.a, Award and Execution Authority, Board shall make all awards, and authorize the execution of the associated contracts, with a value of more than \$500,000, inclusive of the value of any renewals or extensions provided for in the contract.

#### **What Action Accomplishes**

Provides for a qualified firm to provide group health and pharmacy insurance administration for Broward County employees, retirees, Consolidated Omnibus Budget Reconciliation Act (COBRA), participants, survivors, and their eligible dependents.

#### **Is this Action Goal Related**

No

#### **Previous Action Taken**

None.

#### **Summary Explanation/Background**

THE PURCHASING DIVISION AND THE FINANCE AND ADMINISTRATIVE SERVICES DEPARTMENT/HUMAN RESOURCES DIVISION RECOMMEND APPROVAL OF THE ABOVE MOTION.

The Office of Economic and Small Business Development did not establish a County Business Enterprise participation goal for this project (Exhibit 2).

The purpose of this agreement is to provide for a qualified firm to provide administrative management services for group health and pharmacy insurance benefits administration, including wellness and

disease management programs, at competitive rates for Broward County employees, retirees, Consolidated Omnibus Budget Reconciliation Act (COBRA), participants, survivors, and their eligible dependents (Exhibit 1).

The Enterprise Technology Services Division (ETS) identified security disclosure items that deviate from the County's standard terms and conditions (Exhibit 3). United Healthcare Services, Inc. (UHC) will be providing a Health Information Trust Alliance (HITRUST) Report in lieu of Service Organization Control Level 2 (SOC 2), Type II Report. HITRUST Reports are acceptable in the health benefits industry. Human Resources Division has accepted this deviation.

On March 9, 2021 (Item No. 64), the Board approved Request for Proposals (RFP) No. TEC2122482P1. Five firms submitted proposals in response to the RFP.

On July 20, 2021, a combination Initial and Final Evaluation meeting was held. The Evaluation Committee (EC) determined that five firms were both responsive and responsible to the RFP requirements. After presentations, evaluation, scoring and ranking, the EC named United Healthcare Services, Inc. as the first-ranked firm for both health and pharmacy insurance administration services.

The EC's proposed recommendation of ranking was posted on the Purchasing Division website from July 23 - 27, 2021, which provided an opportunity for any proposer or interested party to present any new or additional information submitted within this timeframe. There was no additional information submitted within this timeframe.

The EC's final recommendation of ranking was posted on the Purchasing Division website from July 28 - August 3, 2021, which provided an opportunity for any aggrieved proposer to file a formal protest. There was no protest filed within this timeframe.

On August 5, 2021, Purchasing sent an email to the Board with the RLI/RFP - Committee Member Score Sheets to provide an opportunity for the Board to review and received no subsequent responses from the Board for this RFP ranking.

Four negotiation meetings were held to negotiate the agreement with United Healthcare Services, Inc.: August 10, 13, 17, and 18, 2021. These meetings were attended by representatives from United Healthcare Services, Inc.; USI Insurance Services, LLC; County Administration, the Human Resources Division, the Enterprise Technology Services Division, the County Attorney's Office, the County Auditor's Office, and the Purchasing Division.

Additional supporting documentation provided to the EC regarding this procurement can be found on Broward County's Purchasing Division website at <https://www.broward.org/Purchasing/Pages/Repository.aspx>.

### **Source of Additional Information**

Robert Gleason, Director, Purchasing Division, 954 - 357-6070

### **Fiscal Impact**

### **Fiscal Impact/Cost Summary**

The source of funding for the Health Insurance Administration portion is from the County Paid Health Insurance Claims fund, and the Professional Services/Agent Broker Services fund. The estimated cost for Fiscal Year 2022 is \$53,600,000 dependent upon claims and may increase on an annual basis.

The source of funding for the Pharmacy Insurance Administration portion is from the County Paid Pharmacy Self-Insured fund. The estimated cost for Fiscal Year 2022 is \$16,900,000 dependent upon claims and may increase on an annual basis.

The total estimated annual cost for Fiscal Year 2022 is \$70,500,000 and the estimated amount for all five years, inclusive of the initial and renewal terms, is \$410,000,000, dependent on number and type of claims.