

LARIMER COUNTY PROPOSAL #15-04
MEDICAL PLAN ADMINISTRATION
HUMAN RESOURCES DEPARTMENT
MARCH 27, 2015 2:00 P.M.

Proposals to consider contracting for medical plan administration services for the Larimer County Human Resources Department were accepted on Friday, March 27, 2015 at 2:00 p.m. in the Purchasing Department. Proposals were accepted by Heather MacMillan, CPPB, M.Ed., Purchasing Director and recorded by Sarah Brightman, Purchasing Agent I. The following proposals were received:

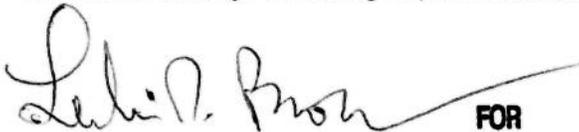
VENDOR

UC Health Plan Administrators
CNIC Health Solutions
AmeriBen
Aetna Life Insurance Company
Kaiser Permanente Colorado
Kaiser Permanente Colorado (Co-exist)
EBMS
Anthem Blue Cross and Blue Shield
UMR

No decision of award was made pending review and recommendation by the Larimer County Human Resources Department.

The Larimer County Human Resources Department reviewed the proposals and recommends accepting the proposal from UMR as per the attached departmental recommendation.

The Larimer County Purchasing Department concurs with the above recommendations.



FOR

HEATHER MACMILLAN, PURCHASING DIRECTOR



Carol L. Block, Financial Services Director
For the Board of Larimer County Commissioners



PURCHASING DEPARTMENT

200 W. Oak Street, Suite 4000
Fort Collins, Colorado 80521
(970) 498-5955
Fax (970) 498-5959

TO: Bridget Paris, Human Resources Director
Pam Stultz, Benefits Manager

FROM: Heather MacMillan, CPPB, M.Ed., Purchasing Director

DATE: 3/27/15

SUBJECT: P15-04 Medical Plan Administration

Transmitted for your review and recommendation, are the proposals received to consider contracting for medical plan administration services for Larimer County. Please fill in this form and return it to me via interoffice mail or fax.

The following criteria must be used to evaluate the proposals:

1. Financial
2. Network Access
3. Administration, Billing & Capabilities
4. Service Commitment
5. Fit with Larimer County Objectives, Operations and Culture

This document will be considered a public record and open to inspection. The individual committee score sheets, comment sheets and other evaluation notes are DELIBERATIVE PROCESS records and not public records. Please keep these documents in your files.

Explain why you want to award the work to a particular vendor and the dollar amount of the award:

The Evaluation Committee shortlisted the three (3) highest scored vendors; UMR Inc., Employee Benefit Management Services Inc., and AmeriBen/IERC Group, and performed interviews with each. The Evaluation Committee selects UMR in the estimated first year amount of \$488,000.00 for the following reasons:

UMR administration fees represent significant savings compared to the other short listed bidders. UMR had the lowest administrative costs between the short-listed bidders, equating to \$210,000.00 in savings over EBMS, and \$375,000.00 in savings over AmeriBen.

UMR accesses the United Healthcare network, which will generate an overall discount in the range of 34-37%. Based on analysis of the network, we estimate the strength of the United Healthcare contracts will produce savings equal or better than the networks of the two other shortlisted vendors.

Minimizing the physician and facility disruption that Larimer County employees may experience if changes are made to health plan is a component of the "fit" criteria used in our evaluation. As UMR is our existing provider, there will be no network disruption to Larimer County employees regarding the physician and facilities they are currently accessing for care. If the existing network is replaced, potential provider disruption to employees is estimated in 10% - 20% range. Additionally, the AmeriBen network does not include Banner Medical Center; steps would be required to secure access to this major facility in the area under the AmeriBen option.

UMR will provide a \$50,000 wellness credit. No credit was provided by the other shortlisted vendors.

Lastly, UMR was the highest scored vendor by the Evaluation Committee.

THIS RECOMMENDATION MUST BE SIGNED BY THE DEPARTMENT HEAD

 DEPARTMENT HEAD SIGNATURE	<u>HR</u> DEPARTMENT	<u>8-3-15</u> DATE
---	-------------------------	-----------------------

Thank you.

P15-04, Medical Plan Administration

COMPANY: EVALUATORS	UMR	EBMS	AmeriBen	Anthem	CNIC	UCH	Kaiser	Aetna	Kaiser Co- Exist
1	4.19	3.46	3.25	2.88	2.91	1.90	1.94	1.90	1.00
2	4.50	4.02	3.81	3.62	3.75	3.09	2.36	2.60	1.00
3	4.02	3.26	3.14	3.06	2.60	2.67	2.77	2.45	1.00
4	4.26	3.85	3.98	3.36	3.59	3.32	2.77	2.46	1.00
5	3.49	3.45	3.09	3.37	2.74	2.69	2.92	2.54	1.00
6	3.65	3.28	3.04	3.00	2.85	2.75	2.78	2.61	1.00
TOTALS	16.27	14.58	14.02	13.41	12.68	11.77	10.82	10.05	4.00