

Financial Services
Mr. Ron Y. Steiger, Chief Financial Officer

SUBJECT: APPROVAL TO ENTER INTO NEGOTIATIONS TO CONTRACT DIRECTLY WITH CIGNA LEON AND UNITED HEALTHCARE FOR MEDICARE ADVANTAGE PROGRAMS AND PRESCRIPTION DRUG PLANS, FOR DISTRICT MEDICARE-ELIGIBLE RETIREES AND THEIR MEDICARE-ELIGIBLE DEPENDENTS

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS

LINK TO STRATEGIC BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES

At the Board meeting of September 2, 2014 the Board authorized staff to execute both a participation agreement and an inter-local agreement to participate in the Medicare Program offerings received in response to the Request For Proposal (RFP)# 039-PSC-0414 – Group Medicare Medical and Pharmacy Plans, which was issued by the Independent Benefits Council (IBC), through Polk County Public Schools' Procurement Department on behalf of Miami-Dade County Public Schools, Orange County Public Schools, Brevard County Public Schools, Duval County Public Schools, Polk County Public Schools and Escambia County Public Schools, consisting of Medicare Advantage Programs, Prescription Drug Plans and Medicare Coordination programs offered by Cigna and United Healthcare, for District Medicare-eligible retirees and their Medicare-eligible dependents, with benefits effective January 1, 2015. The IBC created the Florida Schools Retiree Benefits Consortium (FSRBC) to administer the plan.

The FSRBC recently released an Invitation to Negotiate (ITN) to choose a Third-Party Administrator to administer the FSRBC plan offerings. The FSRBC awarded the ITN to Aon who is working with Bswift, a company who provides an online enrollment platform. As a result of the award Cigna Leon, Aon is unable to provide a telephonic or online enrollment platform for Cigna Leon. As Cigna Leon has a significant presence in Miami-Dade County and has provided Medicare programs to Miami-Dade County Public School retirees for the past several years staff is recommending the Board enter into negotiations to contract directly with Cigna Leon for Medicare Advantage Programs offered by Cigna Leon for District Medicare-eligible retirees and their Medicare-eligible dependents, with benefits effective January 1, 2019 for a one year period subject to School Board approval of plan designs and rates which have been filed and approved by the State of Florida Office of Insurance Regulation (OIR) and Federal Centers for Medicare and Medicaid Services (CMS).

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Additionally, United Healthcare has proposed renewal at lower rates to the School Board than those previously offered through the FSRBC. Staff is recommending the Board enter into negotiations to contract directly with United Healthcare for Medicare Advantage Programs and prescription drug programs offered by United Healthcare, for District Medicare-eligible retirees and their Medicare-eligible dependents, with benefits effective January 1, 2019 for a one year period subject to School Board approval of plan designs and rates which have been filed and approved by the State of Florida Office of Insurance Regulation (OIR) and Federal Centers for Medicare and Medicaid Services (CMS).

RECOMMENDED: That The School Board of Miami-Dade County, Florida enter into negotiations to contract directly with Cigna Leon and United Healthcare for Medicare Advantage Programs, and prescription programs, for District Medicare-eligible retirees and their Medicare-eligible dependents, with benefits effective January 1, 2019 for a one year period subject to School Board approval of plan designs and rates which have been filed and approved by the State of Florida Office of Insurance Regulation (OIR) and Federal Centers for Medicare and Medicaid Services (CMS).

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