

June 17, 2002

Financial Affairs
Richard H. Hinds, Chief Financial Officer

SUBJECT: REQUEST FOR AUTHORIZATION TO CONTRACT WITH THE LAW FIRM OF COLODNY, FASS, TALENFELD, KARLINSKY & ABATE, P.A.

The Board has received renewal rates to be effective January 1, 2003, for its current health insurance contracts, which were approved by the Board at the Board meeting of August 22, 2001, to be effective January 1, 2002, for a five year term, pursuant to the provision of Request For Proposal (RFP) # 090-AA10, Group Medical Benefits.

The received renewal rates from the three companies, CIGNA, Humana, Inc., and Vista Healthcare, include rate increases for employee only coverage, as well as all dependent categories. Additionally, one company provided the caveat which would restrict employee movement between plans at re-enrollment time or allow no more than a 10% change in employee enrollment. With regard to this specific renewal, unless these restrictions are met, the healthcare provider informed the Board that they reserve the right to change the rates, which were provided on Friday, June 7, 2002, to be effective January 1, 2003.

Because of the significant rate increases received from the companies, in conjunction with the restrictions imposed by the caveats included in the renewal information, staff has determined that legal assistance, specific to employee benefit law, may be required to assist in structuring the Board's employee benefit program, to be effective January 1, 2003.

The Board Attorney's Office has asked that the Office of Risk and Benefits Management, through the benefits consulting firm which is being recommended for contract, effective July 1, 2003, identify a law firm which has the necessary expertise to represent the Board in the legal negotiations necessary to effectuate the Board's benefit program to be effective January 1, 2003. Following a due diligence effort, the law firm of Colodny, Fass, Talenfeld, Karlinsky & Abate, P.A., is being recommended to provide necessary legal services. Authority is being sought to enter into negotiations with this firm to effectuate a contract for legal services, including a fee structure, with the specifics of the recommended contract to be brought back to the Board for approval at the Board meeting of July 10, 2002.

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RECOMMENDED:

That The School Board of Miami-Dade County, Florida authorize the Superintendent to enter into negotiations with the law firm of Colodny, Fass, Talenfeld, Karlinsky & Abate, P.A., to effectuate a contract to provide the Board legal services, specific to employee benefit law in relation to its health insurance renewal for calendar year 2003, with specific recommendations for the terms of the contract, including fee structure, to be brought back to the Board at its meeting of July 10, 2002 for approval.

RHH:sc