

Financial Affairs  
Richard H. Hinds, Chief Financial Officer

**SUBJECT: REQUEST FOR AUTHORIZATION TO CONTRACT WITH THE LAW FIRM  
OF COLODNY, FASS, TELENFELD, 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, all companies provided caveats to their renewal rates. One company provided a caveat which would freeze current enrollment in selected companies, or allow no more than a 10% change in employee enrollment. All three companies provided a subject to the authority provided in Section 112.08, Florida Statutes, caveat requiring the same companies currently under contract to provide benefits for 2003. All three companies reserved their rights to change rates subsequently if their respective caveats were not implemented.

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, Talenfield, Karlinsky & Abate, P.A., is being recommended to provide necessary legal services.

A full agenda item, including specific recommendations for contracting with the identified firm, including recommended fee structures, etc., will be made available to the Board no later than Friday, June 14, 2002.