

Financial Services
Richard H. Hinds, Chief Financial Officer

SUBJECT: NEW BANK ACCOUNT FOR SELF-FUNDED HEALTH INSURANCE PROGRAM

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

LINK TO DISTRICT STRATEGIC PLAN: IMPROVE FINANCIAL SERVICES

The award of the contract for healthcare Administrative Services Only (ASO) to CIGNA approved by the School Board under E-66 on September 9, 2009, requires that a new bank account be set-up for the self-funded health insurance program. Under the contract with CIGNA a sub-account utilized for processing claims at Citibank, N.A. is provided. Citibank is a School Board-approved and State-approved Qualified Public Depository. It is currently used by Gallagher-Bassett Services, for processing claims for General Liability, Auto Liability and Worker's Compensation.

Services to be provided include daily funding notification, positive pay and account reconciliation services. Basic services are provided at no charge, but optional services such as online access to the sub-account activity and daily check issue and paid check transmissions will incur fees at estimated cost not to exceed of \$5,000. Anticipated optional services to be implemented in fiscal year 2009-2010, will total less than \$150.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve the designation of Citibank, N.A. as the provider of banking services under the healthcare Administrative Services Only contract with CIGNA effective January 1, 2010.