

Financial Services  
Mrs. Judith M. Marte, Chief Financial Officer

**SUBJECT:                   REQUEST FOR AUTHORIZATION TO AWARD REQUEST  
FOR PROPOSALS (RFP)# 14-053-ND, DISTRICT  
MEDICARE ADVANTAGE RETIREE HEALTHCARE  
BENEFIT PROGRAM**

**COMMITTEE:               FISCAL ACCOUNTABILITY**

**LINK TO STRATEGIC  
BLUEPRINT:               EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES**

Authorization to release Request For Proposal (RFP)# 14-053-ND, District Medicare Advantage Retiree Healthcare Benefit Program was received at the School Board meeting of May 13, 2015. This RFP was designed to seek competitive proposal from companies offering Medicare Advantage (MA) programs to M-DCPS eligible retirees, under the umbrella of the Florida Schools Retiree Benefits Consortium (FSRBC). Proposals were sought to expand the options currently offered to District Medicare eligible retirees consisting of traditional Supplementary Medicare Programs, provided by UnitedHealthcare, as well as the current two MA programs offered by UnitedHealthcare and Leon Medical Centers (Cigna).

At the bid opening of June 11, 2015, two MA proposals were received in response to the RFP from the following companies:

- Av-Med
- Humana

Following the completion of a detailed analysis of the two received proposals by District staff, and representatives from Robinson Bush, the Employee Benefits Consulting Firm under contract to the FSRBC, a meeting of the Superintendent's Ad-Hoc Committee, as required by School Board Policy 6332, Professional Service Contracts for Insurance or Risk Management Programs – Policy was held on July 7, 2015. In addition to the Ad-Hoc Committee members, whose composition was authorized by the School Board at the Board meeting of May 13, 2015, attendees at the Ad-Hoc Committee included representatives of the various District retiree Chapter/Associations (M-DCPS Retiree Benefits Council).

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Av-Med proposed its Low Premium Plan, Medicare Advantage Program which is currently provided to Medicare eligible retirees who reside in either Miami-Dade County or Broward County. These HMO based programs are offered with zero cost to the retiree and provide comprehensive medical and pharmaceutical benefits. Humana proposed both its Low Premium Plan, which is an HMO plan with a zero premium, along with their Value Premium Plan, which is a PPO plan with a monthly premium of \$144.79. Both plans provide comprehensive pharmaceutical benefits as well. Additionally, local hospitals which are participating in the proposed programs are listed below:

	<u>Av-Med</u>	<u>Humana</u>	<u>Humana</u>
	<u>HMO</u>	<u>HMO</u>	<u>PPO</u>
Aventura Hospital	Yes	Yes	Yes
Baptist Hospitals	Yes	No	No
Cleveland Clinic	Yes	Yes	Yes
Coral Gables Hospital	Yes	Yes	Yes
Holy Cross Hospital	Yes	Yes	Yes
Homestead Hospital (Baptist)	Yes	No	No
Kendall Regional Medical Center	Yes	Yes	Yes
Memorial Hospitals	Yes	Yes	No
Mercy Hospital	Yes	Yes	Yes
Mt. Sinai Medical Center	Yes	Yes	Yes
North Shore Medical Center	Yes	Yes	Yes
Palm Springs Hospital	Yes	Yes	Yes
Palmetto General Hospital	Yes	Yes	Yes
University of Miami Hospital	Yes	Yes	Yes

As a result of the level of benefits which have been proposed, the Ad-Hoc Committee members unanimously voted to recommend that the HMO program offered by Av-Med as well as the HMO and PPO programs offered by Humana be included in the current MA offerings for District Medicare eligible retirees under the FSRBC effective January 1, 2016 for an initial two-year period, with the ability to renew for two additional one-year periods. Staff and the representatives from Robinson Bush have verified that the current providers offering both Medicare Supplementary Programs and MA Programs are in agreement with M-DCPS offering additional MA programs. Premiums for years beyond calendar year 2016 will be determined by rates filed and approved by the State of Florida Office of Insurance Regulation (OIR), and the Federal Centers for Medicare and Medicaid Services (CMS).

RECOMMENDED:

That The School Board of Miami-Dade County, Florida:

1. award its contract for additional Medicare Advantage (MA) programs, pursuant to the proposals received in response to Request For Proposal (RFP)# 14-053-ND, District Medicare Advantage Retiree Healthcare Benefit Program, to Av-Med which will offer its Low Premium Plan (HMO) for both Miami-Dade And Broward Counties, and to Humana which will offer both its Low Premium Plan (HMO) and Value Premium Plan (PPO), in addition to the other Medicare Programs offered to District Medicare eligible retirees and dependents under the Florida Schools Retiree Benefits Consortium (FSRBC), effective January 1, 2016 for a one-year period, at the following proposed rates, subject to final confirmation by the State of Florida Office of Insurance Regulation (OIR) and the Federal Centers for Medicare and Medicaid Services:

Av-Med Low Premium Plan (HMO) – Miami-Dade - \$0/month

Av-Med Low Premium Plan (HMO) – Broward - \$0/month

Humana Low Premium Plan (HMO) – Regional - \$0/month

Humana Value Premium Plan (PPO) – National - \$144.79/month; and

2. authorize renewal of the Medicare Advantage (MA) programs proposed by both Av-Med and Humana for subsequent years, including calendar year 2017 and two additional one-year periods, subject to School Board approval with 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).

JMM:sbc