

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

**SUBJECT: AWARD INVITATION TO NEGOTIATE NO. ITN-24-034-CM –
DISTRICT HEALTHCARE BENEFITS PROGRAM**

COMMITTEE: FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS

**LINK TO STRATEGIC
PLAN: EFFECTIVE AND SUSTAINABLE OPERATIONAL PRACTICES**

At its meeting of June 18, 2025, the School Board authorized the release of ITN-24-034-CM, District Healthcare Benefits Program. Procurement Management Services, at the request of the Office of Risk and Benefits Management, released the above-referenced solicitation on June 20, 2025, with the bid opening subsequently held on August 28, 2025. The purpose of this Invitation to Negotiate (“ITN”) is to identify select qualified individuals and agencies to provide Administrative Services Only (ASO) Medical, by an Insurance Carrier or Medical Third-Party Administrator, Administrative Services Only (ASO) Prescription Drug services, Fully-Insured Stop Loss Coverage and Group Medicare Plan offerings for Miami-Dade County Public Schools’ employees, dependents and retirees. This ITN was advertised on the Procurement Management Services website and DemandStar.

The initial term of the bid shall be for a period of five (5) years, commencing January 1, 2027 through December 31, 2031, and may, by mutual agreement between The School Board of Miami-Dade County, Florida, and the successful bidders, be extended for one (1) additional two (2) year period, and if needed, an additional ninety (90) days beyond the expiration of the renewal period, pending contract negotiations.

Fifteen (15) vendors responded to this advertised bid. The fifteen (15) vendors provided twenty-three (23) responses across the requested benefit coverages noted below:

Self-insured (Administrative Services Only - ASO) medical plans for active employees, part-time employees, leave employees, non-Medicare eligible retirees, COBRA, participants, and eligible dependents) including a supplemental plan for Medicare entitled retirees with the carve-outs described below:

- Customized group Medicare Advantage HMO plan and a Medicare Preferred Provider Organization (PPO)/Traditional/Passive plans, Point of Service (POS)
- Self-insured pharmacy benefit management (PBM) services
- Self-funded Wellness Programs
- Self-funded Disease Management Programs
- Fully-insured stop loss coverage (specific)
- Third Party Administrative Services

At the regularly scheduled bid opening of August 28, 2025, responses from the following proposers were received:

Line of Coverage	Medical	Pharmacy	Stop Loss	Medicare
AffirmedRx	-	1	-	-
AvMed	1	1	-	-
Cigna	1	1	1	-
CVS Caremark	-	1	-	-
HPI, Inc	1	-	-	-
Humana	-	-	-	1
ProCareRx	-	1	-	-
ReviveHealth	1	-	-	-
Rightway	-	1	-	-
Rx Savings Solutions	-	1	-	-
Scripius	-	1	-	-
TrueScripts	-	1	-	-
UnitedHealthcare			1	1
UnitedHealthcare Medical	1	-	-	-
UnitedHealthcare Pharmacy	-	1	-	-
UMR	1	-	-	-
OptumRx	-	1	-	-
US-Rx Care	-	1	-	-
WellDyne	-	1	-	-
Total	6	13	2	2

Pursuant to School Board Policy 6332, *Professional Service Contracts for Insurance or Risk Management Programs*, a benefits selection committee reviewed the proposals and made the recommendations outlined below for final Board action. Each member of the Benefits Selection Committee (Committee) had an individual vote in the selection process.

Medical Administrative Services Only (ASO)

Proposals were received for Medical ASO services from AvMed, Cigna, Health Plan, Inc. (HPI), ReviveHealth, and two proposals from UnitedHealthcare (UHC): 1) United Healthcare Services, Inc. as ASO ("UHC/UHC") and 2) UMR, Inc., a United Healthcare Company as a TPA ("UHC/UMR"). At the Committee meetings of November 3, 2025 and November 4, 2025, the Committee reviewed the proposals and scored the proposers based on the ITN rubric. Based on the results of the scoring, the Committee voted to have AvMed, Cigna and UnitedHealthcare make oral presentations on Thursday, November 20, 2025.

During the oral presentations, the Committee members heard overviews of the companies' proposals and then asked representatives from each company several questions regarding their respective proposals. The Committee then requested that Procurement Management Services seek best and final terms and pricing from AvMed, Cigna and UnitedHealthcare to be considered at the next Committee meeting. The Committee then met on its final day on December 4, 2025 and discussed the proposals.

As a result of that meeting, Cigna was selected as the Medical ASO provider effective January 1, 2027 for a five (5) year period, with the ability to be extended for one (1) additional two (2) year period as stipulated in the ITN. The specifics of the pricing and terms provided through this solicitation are as follows:

The response from Cigna contained \$1.5 million in ASO premium holidays. Adopting Cigna's proposed fee-for-service schedule for behavioral health and high-tech imaging claims, instead of the current capitation model, would give the District enhanced transparency and better financial oversight. Alongside year one's medical trend guarantee of 5%, Cigna also offers a combined medical and pharmacy trend guarantee of 6% for years two through five, which will result in a financial payment to the Board if these trend guarantees are not met.

2027	2028	2029	2030	2031
\$23.50	\$23.50	\$23.50	\$23.50	\$23.50

Pharmacy

Pharmacy proposals were received from AffirmedRx, AvMed, Cigna, CVS Caremark, ProCareRx, Rightway, Rx Savings Solutions, Scripus, True Scripts, UnitedHealthcare, OptumRx, US-Rx Care, and WellDyne. At the Committee meetings of November 3, 2025 and November 4, 2025, the Committee reviewed the proposals and scored the proposers based on the ITN rubric. Based on the results of the scoring, the Committee voted to have oral presentations from AvMed, Cigna, UnitedHealthcare and CVS Caremark. AvMed, Cigna and UnitedHealthcare provided embedded pharmacy programs as part of their Medical ASO proposals. CVS Caremark provided a Carved Out (or stand alone) Pharmacy proposal.

During the oral presentations, which were held on November 20, 2025 and November 21, 2025, the companies were provided the opportunity to present an overview of their pharmacy proposals and the members of the committee asked each provider specific questions regarding their respective proposals. The Committee discussed the pros and cons of offering an embedded pharmacy program with its medical ASO contract, as opposed to a Carved-out Pharmacy Program.

The Committee met on its final day on December 4, 2025 and discussed at length the strengths of the proposals. As a result of the meeting, Cigna's embedded pharmacy program was chosen along its Medical ASO Proposal.

The recommendation from the Committee meeting to award the Medical and Pharmacy components to Cigna is subject to successful contract negotiations. Should the District be unable to successfully negotiate a contract, the Committee recommended the following options:

- Option 2: Award Medical ASO to AvMed, and PBM Services to UnitedHealthcare
- Option 3: Award Medical ASO to AvMed, and PBM Services to Cigna

Stop Loss

One of the components of this ITN includes Stop Loss Coverage. Historically, the Board has purchased Stop Loss Coverage to insulate the Board from catastrophic claims. The Board's current stop loss coverage has an attachment point of \$2 million. Any claim which exceeds the attachment point becomes fully insured.

As the selected ASO provider, the Committee voted to select Cigna to be the Stop Loss Coverage provider.

Group Medicare Program

The District provides healthcare offerings for retirees and their eligible dependents who are eligible for Medicare benefits. Currently the District sponsors a variety of Medicare plan options for its Medicare retirees:

- Medicare Advantage Plans with Part D Prescription Drugs (MAPD)
- Medicare Supplement Plans (MedSupp)
- Stand-alone Prescription Drug Plans (PDPs)

Proposals were received for various Medicare Plans from Humana and UnitedHealthcare as displayed below:

Type	Humana	UHC
MAPD Passive PPO	✓	✓
MAPD Traditional PPO	✓	✓
MAPD HMO	✓	
Medicare Supplement		✓
Prescription Drug Plan (PDP)		✓

*Medicare Supplement plans are individually underwritten and not group coverage

At the November 4, 2025 meeting, Committee members expressed their desire to provide Medicare eligible retirees and their dependents ultimate access to these proposals. Committee members voted to approve both proposals.

This item and all related solicitation components fully comply with all applicable federal, state and local laws.

Fund Source

Various

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

1. **AWARD** INVITATION TO NEGOTIATE NO. ITN-24-034-CM - DISTRICT HEALTHCARE BENEFITS PROGRAM, to identify qualified individuals and agencies to provide Administrative Services Only (ASO) Medical, Administrative Services Only (ASO) Prescription Drug services, Fully-Insured Stop Loss Coverage, for an initial term of five (5) years effective January 1, 2027 through December 31, 2031, and may, by mutual agreement between The School Board of Miami-Dade County,

Florida, and the successful bidders, be extended for one additional two (2) year renewal period, and if needed, an additional ninety (90) days beyond the expiration of the renewal period, pending contract negotiations as follows:

Option 1

Administrative Services Only (ASO) Medical, Self-insured (ASO) pharmacy benefit management (PBM) services, Fully-Insured Stop Loss Coverage

CIGNA HEALTH AND LIFE INSURANCE COMPANY
900 COTTAGE GROVE ROAD
BLOOMFIELD, CT 06002
OFFICER: BRUCE GRIMM

Pricing for Administrative Services Only (ASO) Medical:

2027	2028	2029	2030	2031
\$23.50	\$23.50	\$23.50	\$23.50	\$23.50

Option 2:

Administrative Services Only (ASO) Medical

AVMED, INC.
3470 NW 82ND AVENUE, SUITE 1100
DORAL, FL 33122
OFFICER: COLIN DROZDOWSKI

Self-insured (ASO) pharmacy benefit management (PBM) services

UNITED HEALTHCARE SERVICES, INC. AND
UNITEDHEALTHCARE INSURANCE COMPANY

9700 HEALTH CARE LANE
MINNETONKA, MN 55343
OFFICER: PETER WILLIAM RAINEY

185 ASYLUM STREET
HARTFORD, CT 06103
OFFICER: LINDA JEANNE THIERY

Option 3:

Administrative Services Only (ASO) Medical

AVMED, INC.
3470 NW 82ND AVENUE, SUITE 1100
DORAL, FL 33122
OFFICER: COLIN DROZDOWSKI

Self-insured (ASO) pharmacy benefit management (PBM) services

CIGNA HEALTH AND LIFE INSURANCE COMPANY
900 COTTAGE GROVE ROAD
BLOOMFIELD, CT 06002
OFFICER: BRUCE GRIMM

Should the District be unable to successfully negotiate a contract for Option 1, the District is authorized to negotiate a contract for Option 2 or Option 3, as outlined above.

OR: ADDITIONALLY:] REVISED

~~Alternatively, the Board may make a motion to Postpone the Award to obtain an independent actuarial analysis of the three finalists responses to the ITN, prior to making a final award and authorize staff to seek an amendment of the current contract with Arthur J. Gallagher Risk Management Services, LLC to provide a second independent actuarial analysis by Gallaher Benefits to confirm its accuracy and provide a written report to the Board no later than 30 days from Board approval with a price not to exceed \$87,900 for a review of both medical and pharmacy claims or a price not to exceed \$49,900 for a review of medical only. If the Board opts for this postponement for further validation, then no Award will be made under this Recommend #1, and the Board authorizes the Superintendent to explore scheduling a Special Board meeting if necessary to present the final award item.~~

D
E
L
E
T
E
D

- A. **AUTHORIZE** staff, prior to execution of any agreement, to obtain an independent actuarial analysis through an amendment to the current contract with Arthur J. Gallagher Risk Management Services, LLC, to conduct a second independent review of the medical and pharmacy claims analysis provided (1) no recommendation is made (2) validate information and methodology using only previously provided information at a cost not to exceed \$87,900, and to provide the results of such review to the Board by July 10, 2026.
- B. **AUTHORIZE** the Superintendent to finalize negotiations and execute the agreement consistent with the terms approved herein, without further Board action, provided that the independent actuarial analysis substantially validates the assumptions, projections, and financial findings confirming the analysis.
- C. **REQUIRE** that, should the independent actuarial analysis identify material discrepancies, errors, or findings that would substantially impact the recommendation, the item shall be returned to the Board for further review and consideration prior to execution of any agreement via Special Board meeting.

R
E
V
I
S
E
D

2. **AWARD** INVITATION TO NEGOTIATE NO. ITN-24-034-CM - DISTRICT HEALTHCARE BENEFITS PROGRAM, to identify qualified individuals and agencies to provide Medicare Plan offerings, for an initial term of five (5) years effective January 1, 2027 through December 31, 2031, and may, by mutual agreement between The School Board of Miami-Dade County, Florida, and the successful bidder, be extended for one - two (2) year renewal period, pending contract negotiations as follows:

HUMANA MEDICAL PLAN INC.
500 WEST MAIN STREET
LOUISVILLE, KY 40202
OFFICER: GEORGE RENAUDIN II

UNITEDHEALTHCARE INSURANCE COMPANY
185 ASYLUM STREET
HARTFORD, CT 06103
OFFICER: LINDA JEANNE THIERY

3. **REJECT** the stop-loss product if contract negotiations with Option 1 are unsuccessful.
4. **AUTHORIZE** the Superintendent to award ITN-24-035-CM, as outlined above, to provide Administrative Services Only (ASO) Medical, by an Insurance Carrier or Medical Third-Party Administrator, Administrative Services Only (ASO) pharmacy benefit management (PBM) services, Fully-Insured Stop Loss Coverage and Group Medicare Plan offerings to Miami-Dade County Public Schools' employees, dependents and retirees, for the initial contract term, and for each subsequent extension period. Board authorization of this recommendation does not guarantee any estimated quantities will be purchased. ~~If the Board selects to postpone Award of Recommend #1 as prescribed in the language above, then this Recommend #4 is revised to only include Award of Group Medicare Plan offerings.~~

DELETED