



## BoardDocs Cover Page

(Due to final Cabinet-level approval on Monday at noon, 2+ weeks prior to BOE meeting date)

Meeting Date:	June 27, 2018	
Agenda Session: (Category)	<input type="checkbox"/> Closed <input type="checkbox"/> Public Hearing	<input type="checkbox"/> Regular (Information, Reports, System Recognitions) <input checked="" type="checkbox"/> Work Session (Bids, former F&F items)
Title (Subject):	RFP 18MISC18, Stop Loss Insurance	
Access:	<input type="checkbox"/> Private <input checked="" type="checkbox"/> Public	
Type:	<input checked="" type="checkbox"/> Action (e.g., bids) <input type="checkbox"/> Action/Consent (e.g., staffing, grants over \$25k) <input type="checkbox"/> Discussion <input type="checkbox"/> Information (e.g., grants under \$25k) <input type="checkbox"/> Report	
Aspirational Goals: (May select multiple)	<input type="checkbox"/> 1-Student Achievement <input type="checkbox"/> 2-Effective and Engaged Staff <input checked="" type="checkbox"/> 3-Resource Allocation <input type="checkbox"/> 4-Family and Community Involvement <input type="checkbox"/> 5-Health and Safety	
Recommended Action:	Board approval of RFP 18MISC18, Stop Loss Insurance	
Backup Documents:	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO If yes, how many? <u>1</u> Submitted: <input checked="" type="checkbox"/> Herewith <input type="checkbox"/> Later <input type="checkbox"/> Both Is one a PowerPoint (PPT): <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO Comment: _____ <b>Immediately following receipt of an email confirmation that this item has been approved by the Superintendent, the person posting this agenda topic to BoardDocs is responsible for emailing the approved PPT to <a href="mailto:tim.dean@fcps.org">tim.dean@fcps.org</a>.</b>	

**PURPOSE OF PRESENTATION:** Staff has reviewed the attached contract and recommends approval by the Board of Education of Frederick County.

**BACKGROUND/SUMMARY:** This recommendation is to establish a contract for providing stop loss insurance for current employees and retirees (under the age of 65) of Frederick County Public Schools.

**PRESENTER(S) & TITLE(S):**

Kim Miskell, Assistant Purchasing Manager  
 Penny Opalka, Senior Manager, Human Resources

**SUBMITTED BY:**

Stephen P. Starmer, C.P.M., CSBA, Purchasing Manager  
 Leslie R. Pellegrino, Chief Financial Officer

**RFP 18MISC18**  
**STOP LOSS INSURANCE**

**FACT SHEET**

- A. **Overview:** This recommendation is to establish a contract for providing stop loss insurance for current employees and retirees (under the age of 65) of Frederick County Public Schools (FCPS). Proposals were received on June 1, 2018.

1. **Proposal participation:**

19 bids downloaded  
1 company submitted a bid

2. **Proposals were received from:**  
**Symetra Life Insurance Company (Bellevue, WA)**

3. **Other Facts:**

- The contract term will be effective from July 1, 2018 through June 30, 2020, with two one-year renewal options available.
- This contract will provide stop loss insurance (referred to as excess risk insurance) to pay eligible medical claims which exceed \$525,000. This means any individual medical claim in excess of \$525,000 is reimbursed by the stop loss insurance company, to the Board's self-insurance medical plan.
- FCPS utilized the services of our employee benefit-consulting firm, Trion, to assist with the preparation of bid specifications and the evaluation of the received proposals.
- This recommendation has been reviewed and approved by the Insurance Council, which consists of members from FCPS, Frederick County Teachers Association (FCTA), Frederick Association of School Support Employees (FASSE) and Frederick County Administrative and Supervisory Association (FCASA).
- The contract will be administered by Penny Opalka, Senior Manager, Human Resources

4. **Source of Funding:** Funding for the recommended stop loss insurance is through the Board's self-insurance fund, which will continue to be funded by the Board of Education and employee/retiree contributions.

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- B. **Recommendation:** Staff recommends that RFP 18MISC18, Stop Loss Insurance, be awarded to Symetra Life Insurance Company of Bellevue, WA, at the rates indicated on the attached Summary of Award.
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C. **Action taken by the Board (Purchasing use only):**

AB/JC	Approved	_____ Denied	_____ Deferred	_____ Other	KM/jc
6.27.18	Date	_____ Date	_____ Date	_____ Date	BOE Meeting: 06.27.18

**RFP 18MISC18, STOP LOSS INSURANCE  
SUMMARY OF AWARD**

			<b>Symetra</b>		
	<b>Enrollment</b>	<b>Current Deductible (\$525,000)</b>	<b>Option 1 (525,000 Deductible)</b>	<b>Option 2 (550,000 Deductible)</b>	<b>Option 3 (575,000 Deductible)</b>
Individual	2,364	\$5.57	\$6.78	\$6.40	\$6.04
Family	3,059	\$15.17	\$21.55	\$20.34	\$19.19
Composite	5,423	\$11.06	\$15.11	\$14.26	\$13.46
<b>Annual Cost</b>		<b>\$714,870</b>	<b>\$983,392</b>	<b>\$928,196</b>	<b>\$875,769</b>
<b>% Difference</b>			<b>37.6%</b>	<b>29.8%</b>	<b>22.5%</b>
<b>\$ Difference</b>			<b>\$268,522</b>	<b>\$213,326</b>	<b>\$160,899</b>
Maximum Annual Reimbursement		\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000
Maximum Lifetime Reimbursement		Unlimited	Unlimited	Unlimited	Unlimited