

August 27, 2008

AMEND BOARD REPORT 05-1026-PR12
AMEND BOARD REPORT 04-0324-PR20

APPROVE ENTERING INTO AN AGREEMENT WITH BLUE CROSS BLUE SHIELD OF ILLINOIS

FOR HEALTH CARE ADMINISTRATIVE SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve entering into an agreement with Blue Cross Blue Shield of Illinois to provide network access, claims administration, medical management oversight and a health maintenance organization for the Board's self-funded medical plan, at a cost not to exceed ~~\$50,000,000.00~~ \$70,000,000.00 for a period of ~~54 months~~. Blue Cross Blue Shield of Illinois was selected on a competitive basis pursuant to a duly advertised Request for Proposal (Specification No. 03-250288). ~~A written agreement is currently being~~

~~negotiated. An agreement shall be made to proceed prior to the execution of the written agreement. The~~

COMPENSATION: Blue Cross Blue Shield shall be paid a ~~fee~~ at the fees set forth in the written agreements for the entire term not to exceed ~~\$50,000,000.00~~ \$70,000,000.00.

AFFIRMATIVE ACTION: This contract is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/MBE Plan). The M/MBE Participation goals for the contract include: 25% total MBE, 10% total Hispanic, 0% total Asian

The vendor has identified and scheduled the following firms and percentages:

Total 22% African American:

~~Contract Amount: \$1,170,000~~

~~FINANCIAL: Charge \$10,000,000.00 for Fiscal Year 2005~~

Charge \$10,000,000.00 for Fiscal Year 2006
Charge \$10,000,000.00 for Fiscal Year 2007
Charge \$10,000,000.00 for Fiscal Year 2008
Charge \$10,000,000.00 for Fiscal Year 2009
Charge \$10,000,000.00 for Fiscal Year 2010
Charge \$10,000,000.00 for Fiscal Year 2011

Budget Classification: Charge to sundry units, all operating funds, sundry programs, hospital insurance (object 5680)

GENERAL CONDITIONS:

Inspector General – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations, and that the Inspector General shall have access to all information and personnel

necessary to conduct those investigations.

Conflicts – Any agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their terms of office.

Indebtedness – The Board's Indebtedness Policy adopted July 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics – The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), as amended from time to time, shall be incorporated into and made a part of the agreement.