

**AGENDA ITEM REPORT**

**DATE:** December 6, 2022  
**DEPARTMENT:** Human Resources  
**REQUESTER:** Erin Hailstone  
**TITLE:** Approve Updated Contract Employee Benefits – Basic and Voluntary Life Insurance

**I. MOTION REQUESTED**

A) Approve Updated Contract, with Exhibit A included, RFP220099CJV, Employee Benefits – Basic and Voluntary Life Insurance Coverage, to Standard Insurance Company for the employee basic and voluntary life insurance coverages, for an initial term of four (4) years, in the amount of \$1,130,354 annually.  
 B) Authorize the Chair to execute the contract documents on behalf of the Board of County Commissioners.  
 C) Grant the County Manager or designee the authority to renew the contract, up to three (3) additional one-year (1) periods, and to execute all associated documents, as approved in the departments' annual adopted budgets, if doing so is in the best interest of Lee County, and there are no cost increases associated with the renewal(s).

**II. ITEM SUMMARY**

Item was initially approved October 18, 2022 without Exhibit A. Since that time Exhibit A has been finalized. Reintroducing contract for approval, with the inclusion of Exhibit A.

Authorizes the negotiation and execution of a contract with the top ranked firm, Standard Insurance Company, for employee basic and voluntary life insurance coverage commencing on January 1, 2023. The initial contract term is four (4) years, with a renewal term or terms not to exceed three (3) additional one (1) year periods.

The new contract is expected to reduce employer premium costs by 6.3% or \$34,297 annually and increase retiree premiums by \$67,137 annually. Total annual premium costs estimated at \$511,599 for employer, \$128,961 for retiree, and \$489,794 for employees.

**III. BACKGROUND AND IMPLICATIONS OF ACTION****A) Board Action and Other History**

Item was initially approved October 18, 2022 without Exhibit A. Since that time Exhibit A has been finalized. Reintroducing contract for approval, with the inclusion of Exhibit A.

Procurement Management obtained proposals for the project known as Request for Proposal RFP220099CJV Employee Benefits – Basic and Voluntary Life Insurance Coverage. The project was competitively bid. On the solicitation deadline of July 19, 2022, Procurement Management received five (5) submittals found to be responsive and responsible.

An evaluation meeting was held on August 18, 2022, during which the Evaluation Committee considered criterion as listed in the solicitation request including such items as account management and customer service, claim processing, plan design and cost. Firms were scored and ranked accordingly. The consensus of the Committee was to enter into negotiations with the top ranked firm and recommend the award of contract to Standard Insurance Company, for an initial contract term of four (4) years. The contract is eligible for renewal terms not to exceed three (3) additional one (1) year periods, upon mutual written agreement of both parties.

The new contract is expected to reduce employer premium costs by 6.3% of \$34,297 annually and increase retiree premiums by \$67,137 annually. Total annual premium costs estimated at \$511,599 for employer, \$128,961 for retiree, and \$489,794 for employees.

**B) Policy Issues****C) BoCC Goals****D) Analysis****E) Options****IV. FINANCIAL INFORMATION**

A)	Current year dollar amount of item:	See Comments below.
B)	Is this item approved in the current budget?	Yes
C)	Is this a revenue or expense item?	Expense
D)	Is this Discretionary or Mandatory?	Discretionary

E)	Will this item impact future budgets? If yes, please include reasons in III(D) above.	
F)	Fund: Program: Project: Account Strings: Various liability accounts funded by each department for employer premiums.	
G)	Fund Type?	Other: Various liability accounts
H)	Comments: FY21-22 Employer premium: \$545,897 Retiree premium: \$61,824 Employee premium: \$489,794	

**V. RECOMMENDATION**

Approve

**VI. TIMING/IMPLEMENTATION**

New contract effective 1/1/23

**VII. FOLLOW UP****ATTACHMENTS:**

Description	Upload Date	Type
<a href="#">Updated Agreement</a>	11/17/2022	Backup Material

**REVIEWERS:**

Department	Reviewer	Action	Date
Human Resources	Tucker, Mary	Approved	11/23/2022 - 1:21 PM
Human Resources	Hailstone, Erin	Approved	11/28/2022 - 1:51 PM
Budget Services	Guttery, Angela	Approved	11/29/2022 - 10:30 AM
Budget Services	Winton, Peter	Approved	11/29/2022 - 10:32 AM
County Attorney	Fraser, Andrea	Approved	11/29/2022 - 10:47 AM
County Manager	Harner, David	Approved	11/29/2022 - 11:51 AM