



EXECUTIVE SUMMARY

Recommendation that the Broward College District Board of Trustees authorize the renewal with Cigna Health and Life Insurance Company under the parties' current agreement (RFP-2020-075-OA) to provide the College's Group Dental Insurance Services. Fiscal Impact: Estimated \$728,239.31 (cumulative \$2,787,466.91). The College currently has an estimated 70% cost share of this amount.

Presenter(s): Sophia Galvin, Vice President, Talent and Culture

What is the purpose of this contract and why is it needed? The purpose of this renewal is to continue with Cigna as our employee group dental insurance provider. Through the original RFP (Group Dental Insurance Services - RFP-2020-075-OA) and contract process, premium rates were negotiated to remain unchanged beginning January 1, 2021 through December 31, 2023, with rate increases capped at 5% for 2024 and 2025. The current contract is set to expire December 31, 2024 and has one more one-year renewal option for 2025. The College's current agreement with Cigna has afforded the College the ability to avoid any increases since January 2021 through the end of 2023 and the rate caps in place for the 2024 and 2025 plan year keep the college premiums below industry trend. In addition, the renewal ensures plan continuity and consistency for employees.

What procurement process or bid waiver was used and why? A formal competitive solicitation process was used per FLDOE Rule 6A-14.0734 and College Procedure A6Hx2-6.34. A Request for Proposals (RFP) was completed in 2020: Group Dental Insurance Services - RFP-2020-075-OA. Cigna was selected as the carrier to offer enhanced dental services starting on 1/1/2021. Options for other Dental carriers were explored in 2024 with RFP-2023-125-OA - HEALTH, LIFE & DISABILITY INSURANCE AND SERVICES. Cigna offered the most competitive cost for value as reviewed by the RFP selection and negotiation committee. The Cigna Dental proposal offered the same cost and value as the renewal option, resulting in the recommendation to exercise the renewal option.

Is this a budgeted expenditure from the budget established at the last June Board of Trustees meeting?
Yes.

What fund, cost center and line item(s) were used? FD100 GLC59703.

Has Broward College used this vendor before for these products or services? Yes, the existing contract was effective 1/1/2021.

Was the product or service acceptable in the past? Yes, the provider has met the dental care needs of the member population.

Was there a return on investment anticipated when entering this contract? Yes. Future rate increases were mitigated through rate guarantees and rate cap arrangements.

Was that return on investment not met, met, or exceeded and how? The return on investment met expectation by providing dental insurance services to employees at a cost that remained unchanged from 2021 through 2023 with a 5% cap in 2024 and 2025. This rate is competitive as the plan was running at a 155% loss ratio in 2023 and 143% loss ratio in 2024. Without the rate cap in place, the renewal could easily exceed four or five times the 5% increase amount.

Does this directly or indirectly feed one of the Social Enterprise tactics and how? Indirectly by attracting and retaining top talent through the benefits offered to our faculty, staff and administrators (Talent Activation).

Did the vendor amend Broward College's legal terms and conditions [to be answered by the Legal Office] if the College's standard contract was used and was this acceptable to the Legal Office?

FISCAL IMPACT:

Description:\$728,239.31 (FD100 GLC 59703 College-wide)

Sophia Marie Galvin

Sophia Marie Galvin, Vice President, Talent and Culture

7/30/2024