

## BOARD OF SUPERVISORS AGENDA ITEM SUMMARY

Requested Board Meeting Date: 06/17/14

### ITEM SUMMARY, JUSTIFICATION and/or SPECIAL CONSIDERATIONS

Amendment of Award: MA# 12000000000000000533, Amendment # 4, Humana Insurance Company dba Humana Specialty Benefits, to provide Life Insurance Benefits, extend contract term to 06/30/15, increase contract amount by \$2,600,000.00, Funding Source: General Fund (12%), Employee Contribution (88%), Administering Department: Human Resources

### BACKGROUND

Pursuant to RFP # 1000712, the contract was initially awarded by the BOS on 02/16/10 in the annual amount of \$2,600,000.00 and included four one-year renewals of which three have been previously executed. The current annual award amount is \$2,600,000.00. The contract's current termination date is 06/30/14, historical requirements and expenditures average about \$420,000.00 per month, and as of 04/17/14 the contract has an unused contract amount of \$1,125,819.00 of which \$565,349.00 is encumbered. Major User and administering department of this contract is Human Resources.

If the requested action is approved the resulting annual award amount will be \$2,600,000.00, and all rates shall remain the same.

This contract amendment is required to continue the provision of life insurance benefits to all eligible employees and enrolled participants for supplemental life insurance.

Effective Date: 07/01/2014  
New Termination Date: 06/30/2015  
Original Contract Amount: \$ 2,600,000.00  
Prior Amendment Amounts: \$ 7,800,000.00  
This Amendment Amount: \$ 2,600,000.00  
Revised Contract Amount: \$ 13,000,000.00

Contract Number: MA-PO-12 \* 533-04  
Effective Date: 6-30-14  
Term Date: 6-30-15  
Cost: \$2,600,000.00  
Revenue: \_\_\_\_\_  
Total: \_\_\_\_\_ NTE: \_\_\_\_\_  
Action: 4-1-15  
Renewal By: \_\_\_\_\_  
Term: 6-30-15  
Reviewed by: [Signature]

JUN 04 14 PM 11 05 PC CLK OF B

Contract Officer: Jennifer Moore, 520.724.8164 Procurement Department

Payment System: Advantage AMS Pimacore

CLERK OF BOARD USE ONLY: BOS MTG. \_\_\_\_\_ ITEM NO. \_\_\_\_\_

To: COB - 6-4-14  
Agenda 6-17-14  
(1)

**PIMA COUNTY DEPARTMENT OF HUMAN RESOURCES****PROJECT: Life Insurance Benefits****CONTRACTOR: Humana Insurance Company dba Humana  
Specialty Benefits****CONTRACT NO.: MA-PO-12000000000000000533****CONTRACT AMENDMENT NO.: Four (#04)****CONTRACT****NO. MA-PO-12000000000000000533****AMENDMENT NO. 04**This number must appear on all  
invoices, correspondence and  
documents pertaining to this  
contract.**ORIG. CONTRACT TERM: 07/01/2010 – 06/30/2011**  
**TERMINATION DATE PRIOR AMENDMENT: 06/30/14**  
**TERMINATION THIS AMENDMENT: 06/30/15****ORIG. CONTRACT AMOUNT: \$2,600,000.00**  
**PRIOR AMENDMENTS: \$7,800,000.00**  
**AMOUNT THIS AMENDMENT: \$2,600,000.00**  
**REVISED CONTRACT AMOUNT: \$13,000,000.00****CONTRACT AMENDMENT**

WHEREAS, COUNTY and CONTRACTOR entered into a Contract for services as referenced above; and

WHEREAS, CONTRACTOR and COUNTY, pursuant to Article I - Term, have agreed to extend the Contract term for a period of one year; and

WHEREAS, CONTRACTOR and COUNTY, pursuant to Article II – Scope of Services, have agreed shall remain the same including Certificates of Insurance (as of 12/08/09), located at <http://www.pima.gov/hr/EmployeeBenefits/lifeins.htm> this document is incorporated into this amendment the same as set forth in full herein; and,

WHEREAS, CONTRACTOR and COUNTY, pursuant to Article III – Compensation and Payment have agreed to increase the contract amount to allow payment for the continued provision of County and employee paid services during the extended term of the contract; and,

WHEREAS, CONTRACTOR and COUNTY have agreed, pursuant to Article III – Compensation and Payment, all rates shall remain the same for the continued provision of services during the extended term of the contract; and,

NOW, THEREFORE, it is agreed as follows:

**CHANGE: ARTICLE I - TERM:**

From: "... shall terminate on the 30<sup>th</sup> day of June, 2014..."

To: "... shall terminate on the 30<sup>th</sup> day of June, 2015..."

**CHANGE: ARTICLE III – COMPENSATION and PAYMENT:**

From: "In consideration for the goods and services specified in this Contract, the COUNTY agrees to pay CONTRACTOR in an amount not to exceed Ten Million, Four Hundred Thousand dollars (\$10,400,000.00)...."

To: "In consideration for the goods and services specified in this Contract, the COUNTY agrees to pay CONTRACTOR in an amount not to exceed Thirteen Million, (\$13,000,000.00)...."

The effective date of this Amendment shall be June 30, 2014.

All other provisions of the Contract, not specifically changed by this Amendment, shall remain in effect and be binding upon the parties.

**PIMA COUNTY**

\_\_\_\_\_  
Chair, Board of Supervisors

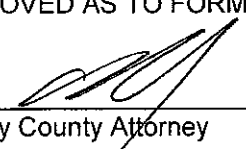
\_\_\_\_\_  
Date

**ATTEST**

\_\_\_\_\_  
Clerk of Board

\_\_\_\_\_  
Date

**APPROVED AS TO FORM**

  
\_\_\_\_\_  
Deputy County Attorney

**MARC NATELSON**

\_\_\_\_\_  
Print DCA Name


2/14/14  
\_\_\_\_\_  
Date

**APPROVED AS TO CONTENT**

  
\_\_\_\_\_  
Department Head

2/21/14  
\_\_\_\_\_  
Date

**CONTRACTOR**

  
\_\_\_\_\_  
Authorized Officer Signature

Jacqueline Frontiero, Account Executive  
\_\_\_\_\_  
Printed Name and Title

3/12/14  
\_\_\_\_\_  
Date