

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: 4-30-14
Term Date: 6-30-15
Cost: \$2,600,000. -
Revenue: _____
Total: _____ NTE: _____
Action: 4-1-15
Renewal By: _____
Term: 6-30-15
Reviewed by: SL

JUN 04 2014 PM 11:05 PC QLK/JF
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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-1200000000000000533
CONTRACT AMENDMENT NO.: Four (#04)

CONTRACT
NO.: MA-PO-1200000000000000533
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 30th day of June, 2014..."
 To: "... shall terminate on the 30th 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

Jacqueline Frontiero

Authorized Officer Signature

Jacqueline Frontiero, Account Executive

Printed Name and Title

3/12/14

Date