

Approved by the Board of Trustees
November 10, 2016

Board Meeting
November 10, 2016

ROLL CALL

PURCHASE RECOMMENDATIONS

The "Purchase Recommendations" are presented by campus and a Summary from "Appropriated Funds" (i.e., from State appropriations to the University) and from "Institutional Funds" is included. The latter term is used here to designate funds received by the University under contracts with the United States Government; contracts with private corporations and other organizations, from foundation grants, and grants from corporations and other donors; and University revolving funds authorized by law. The Summary also indicates a total amount by campus.

The board action recommended in this item complies in all material respects with applicable State and federal laws, University of Illinois Statutes, The General Rules Concerning University Organization and Procedure, and Board of Trustees policies and directives.

The Assistant Vice President for Procurement Services has proposed and the Vice President, Chief Financial Officer recommends the following purchase. Unless otherwise specified, the purchase in each case is recommended on the basis of the lowest acceptable bid.

The President of the University concurs.

PURCHASES RECOMMENDED

Chicago

1	Unit	Managed Care/Campus Care Student Insurance Services
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Item	Administrative and management services for the Student Health Benefit Program, CampusCare, and the Managed Care Blue Cross Blue Shield (BCBS) Health Maintenance Organization (HMO) Risk Agreement for the period December 1, 2016 through November 30, 2017.
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Cost	\$1,900,000.00 (estimated)
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Vendor Innovista, LLC, dba Health Care Service Corporation, Westchester, IL

Emergency procurement procedures were followed in accordance with the Illinois Procurement Code.

The vendor will provide administrative and management services for the Chicago, Rockford and Peoria sites to manage CampusCare and Managed Care BCBS HMOs, including but not limited to comprehensive benefit plan compliance, access management, referral coordination, claims administration, coordination of benefits, customer service, utilization management, reinsurance recovery, and contract compliance management.

A new contract management firm certified by BCBS is required to perform the University's delegated duties and obligations on or before January 1, 2017, in accordance with the BCBS HMO agreement. Currently, Innovista is one of two BCBS certified firms.

A competitive Request for Proposal (RFP) will be started in November 2016 to identify a longer term contract management firm. This will allow time for a multi-year contract to be executed with the awarded firm, and to build the program prior to the expiration of the Innovista agreement in November, 2017.

Pricing for the Health Benefits Plan is set at \$5.90 per member per month for CampusCare and \$6.25 per member per month for BCBS HMO participants. Comprehensive negotiations resulted in an 18% reduction from originally proposed pricing, yielding a savings of \$400,000 for the contract period.

RENEWAL OPTIONS RECOMMENDED

Chicago

1	Unit	Facilities Management
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Item	Renewal option for purchase of Refuse Transfer Stations and Disposal Site Services for Regular Refuse Dumping for the period January 1, 2017 through December 31, 2017.
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Cost	\$1,028,619.80 (estimated)
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Vendor Lakeshore Recycling Systems, LLC, Chicago, IL

This will exercise the first of three (3) twelve-month renewal options to the purchase previously approved for the period January 1, 2016 through December 31, 2016. Competitive selection procedures were followed in accordance with the Illinois Procurement Code.

The vendor will continue to provide access to refuse transfer stations and disposable sites within thirty (30) miles of the University of Illinois at Chicago and is responsible for the legal disposal of all refuse material once it is dumped by the University at the designated site(s). Disposal of all refuse materials occur at sites that are properly licensed and permitted in accordance with all applicable Federal, State, and Local laws.

The vendor has demonstrated greater than satisfactory performance in fulfilling the terms and conditions of their contract and held renewal term pricing within 3% of the previous term's price.

SUMMARY OF PURCHASES	
Chicago	\$1,900,000.00
Recommended from Institutional Funds	
Grand Total	\$1,900,000.00
SUMMARY OF RENEWALS	
Chicago	\$1,028,619.80
Recommended from Institutional Funds	
Grand Total	\$1,028,619.80