

DEPARTMENT OF GENERAL SERVICES OFFICE OF STATE PROCUREMENT ACTION AGENDA December 13, 2023



Contact: Christina Kuminski 410-767-4787 christina.kuminski@maryland.gov

25-S-MOD. SERVICES MODIFICATION

Department of Budget and Management, Employee Benefits Division

Contract ID: Group Term Life and Accidental Death and Dismemberment (AD&D)

Insurances; *F10B8400043*

ADPICS No.: COK28997

Contract Approved: DBM 11-S, 08/01/2018

Contract Description: Provide contributory Group Term Life (Life) insurance services for active employees, high risk active State employees, Satellite Account Employees, satellite account retirees, retired State employees, Direct Pay Enrollees (excluding COBRA enrollees), and their eligible Dependents; and contributory Accidental Death and Dismemberment (AD&D) Insurance services for active employees, Direct Pay Enrollees, and Satellite Account Employees.

Modification Description: Add funds for Group Term Life Insurance and AD&D insurance and extend the contract to allow time to complete the new procurement.

Award: Metropolitan Life Insurance Company (MetLife); New York, NY

Original Contract Term: 01/01/2019 - 12/31/2023

Modification Term: 01/01/2024 - 12/31/2024

Original Contract Amount: \$108,659,445 Est. (Life)

\$ 9,403,158 Est. (AD&D)

\$118,062,603 Cumulative Est. Grand Total (5 Years)

Modification Amount: \$ 28,973,272 Est. (Life)

\$ 2,060,339 Est. (AD&D)

\$ 31,033,611 (1 Year Extension)

Prior Options/Mods: N/A

Total Contract Amount: \$149,096,214

Percent +/- (This Item): 26.29%

Total Percent Change: 26.29%



DEPARTMENT OF GENERAL SERVICES OFFICE OF STATE PROCUREMENT ACTION AGENDA December 13, 2023



25-S-MOD. SERVICES MODIFICATION (cont'd)

Original Procurement Method: Competitive Sealed Proposals

MBE/VSBE Participation: 1% / 0.5%

MBE/VSBE Compliance: 0.122% / 0.134%

Performance Security: No

Requesting Agency Remarks: The Department of Budget and Management, Office of Personnel Services & Benefits (DBM- OPSB), administers a comprehensive benefits program for State employees, retirees, and eligible dependents. The program includes a mixture of self-insured and fully-insured medical, dental, and prescription drug plans, and healthcare and dependent daycare flexible spending account benefits. The State subsidizes the premiums for certain plans, but the members pay the entire premium for other plans. The State's total benefit expenditures for CY2022 were approximately \$2.3 billion.

MetLife has not met the MBE and VSBE participation in 2020, 2021, and 2022 due to COVID restrictions on in-person gatherings for onsite benefits fairs. MetLife has committed to working with the Employee Benefits Division team on ad-hoc projects and ensured that they will meet or exceed the MBE and VSBE utilization participation for 2024. They are on track due to Fall 2023 onsite benefits fairs and ad-hoc projects to meet their MBE and VSBE compliance percentages. Also, MetLife is working with the Employee Benefits Division team on an ad-hoc project to ensure they meet the MBE and VSBE services utilization participation in 2024. They have contacted agencies that do not host onsite benefit fairs during the Open Enrollment period and offered to provide additional printed marketing materials and giveaways and have received orders from over 60 agencies.

Fund Source: 100% Reimbursable (Employee Contributions)

Appropriation Code: F10A02

Resident Business: No

BOARD OF PUBLIC WORKS ACTION THIS ITEM WAS:

APPROVED J DISAPPROVED DEFERRED WITHDRAWN

WITH DISCUSSION WITHOUT DISCUSSION