

Supplement B
Department of Budget and Management
ACTION AGENDA
September 18, 2019



Supplemental

Contact: Cindy Kollner 410-767-4716
Cindy.kollner@maryland.gov

10-S-MOD. DEPARTMENT OF BUDGET AND MANAGEMENT
Employee Benefits Division

Contract ID: SLEOLA Medical Plan Administration and Services PPO, EPO, POS
ADPICS # COI36181

Contract Approved: DBM Item 5-S 8/13/2014

Contractor: Carefirst of Maryland, Inc.
Baltimore, MD

Contract Description: Provide medical plan administration and services through a Preferred Provider Organization PPO , an Exclusive Provider Organization EPO and Point of Services POS for the State Law Enforcement Officers Labor Alliance SLEOLA .

Modification Description: Add one year to the base contract term and two 2-year renewal option periods.

Original Contract Term: 08/14/2014 – 12/31/2019

Modification Term: 10/01/2019 – 12/31/2020 w/two 2-year renewal options

Original Contract Amount: \$80,323,272 Est. Total 5 Years, 4 ½ Months

Modification Amount: \$19,416,400 1 Year ; and, if the renewal options are exercised the option amounts are as follows:

\$38,832,801 Est. 2 Years; Renewal Option #1

\$38,832,801 Est. 2 Years: Renewal Option #2

\$77,665,602 Est. Total 4 Years

Prior Modifications/Options: None

Revised Total Contract Amount: \$ 99,740,073 Est. 6 Years, 4 ½ Months; Base
\$ 38,832,801 Est. 2 Years; Renewal Option #1
\$ 38,832,801 Est. 2 Years: Renewal Option #2
\$177,405,675 Est. Total 10 Years, 4 ½ Months

Overall Percent +/- This Mod : +24.17%

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10-S-MOD. DEPARTMENT OF BUDGET AND MANAGEMENT *cont'd*

Original Procurement Method: Competitive Sealed Proposals

MBE/VSBE Participation: 4% / 0.05% of Administrative Fees

MBE/VSBE Compliance: 4.4% / 1%

Requesting Agency Remarks: Request for approval to modify the contract to add one year to the base term of the three SLEOLA contracts EPO, PPO, and POS and two, two-year option periods for a base term expiration of December 31, 2020, and a potential expiration of December 31, 2024, if both two-year renewal option periods are exercised. This modification will align the potential contract terms end date with the remaining Employee Benefit Division medical benefit contracts.

This modification is determined to be in the best interest of the State because it will allow State to facilitate a successful transition between the current contractor and a future contractor, in keeping with BPW Advisory 1995-1 7a 2 , by aligning the terms all of the Department’s medical benefit contracts to allow for a unified re-procurement effort, which will benefit participation of the vendor community and alleviate the burden of responding to multiple procurements. Conducting a unified re-procurement will also promote administrative efficiencies and the opportunity for more competitive pricing for the State.

Services would remain the same under the modification, which would extend the Contract Year Five prices for Contract Year Six and each of the renewal option years.

Fund Source: Various

Appropriation Code: Various

Resident Business: Yes

This Item was withdrawn as Item 11-S-MOD from the 09/04/2019 DBM agenda.

BOARD OF PUBLIC WORKS ACTION – THIS ITEM WAS:

APPROVED	DISAPPROVED	DEFERRED	WITHDRAWN
WITH DISCUSSION		WITHOUT DISCUSSION	