



DEPARTMENT OF GENERAL SERVICES
OFFICE OF STATE PROCUREMENT
ACTION AGENDA
December 17, 2025



REVISED

HAND CARRIED

Contact: Christina Kuminski 410-767-4787
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65-S-MOD. SERVICES MODIFICATION

*Department of Budget and Management,
Office of Personnel Services and Benefits*

Contract ID: Consulting and Actuarial Services for the Maryland State Employee and Retiree Health and Welfare Benefits Program; *F10B7400031*
ADPICS No.: COL08251

Contract Approved: DBM 1-S, 11/14/2018

Contract Description: Provide Consulting and Actuarial Services to support the administration of the Maryland State Employee and Retiree Health and Welfare Benefits program.

Modification Description: Extend the contract to allow time for the re-procurement to commence and award a new contract, and revise its current VSBE Plan due to circumstances beyond the Contractor's control.

Award: The Segal Company (Eastern States), Inc.; Washington, DC

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

Modification Term: 01/01/2026 - 12/31/2026

Original Contract Amount: \$7,882,500

Modification Amount:

\$ 300,000 (Actuarial Services)
<u>\$ 543,200</u> (Consulting Services)
\$ 843,200 Total

Prior Options/Mods: \$0 Mod (Mod #1: Extension 01/01/2024 - 12/31/2025 Delegated Authority - DBM, 11/13/2023)

Total Contract Amount: \$8,725,700

Percent +/- (This Item): 10.70%

Total Percent Change: 10.70%

Original Procurement Method: Competitive Sealed Proposals



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

Living Wage Eligible: Yes

MBE/VSBE Participation: 13% / 1%

MBE/VSBE Compliance: 16.39% / 0%

Performance Security: No

Requesting Agency Remarks: The purpose of this contract is to provide consultant and actuarial services to the State Employee and Retiree Health and Welfare Benefits Program for State employees, retirees, and eligible dependents. These services include: assistance with annual health plan rate setting; annual Other Post-Employment Benefits valuation, Retiree Drug Subsidy, technical assistance and support in connection with the re-procurement of various State health plan contracts; and assistance with compliance and regulatory changes, in addition to trend analysis of healthcare legislation.

The Program includes self-funded and fully insured medical plans, a self-funded prescription plan with an Employer Group Waiver Plan, flexible spending accounts, fully and self-insured dental plans, and group insurance plans for life, dependent life, and accidental death and dismemberment. The State subsidizes the premiums for certain plans, but the member pays the entire premium for other plans.

The replacement RFP is estimated to be released in early May 2026.

A 13% Minority Business Enterprise (MBE) and 1% Veteran-Owned Small Business Enterprise (VSBE) participation goal on the total consulting fees was established for this contract. Currently, the vendor is exceeding the MBE goal with a participation rate of 16.4%. Due to unforeseen circumstances, the current VSBE has been assigned no work under this contract to date and has requested in writing to be removed as the VSBE subcontractor effective May 26, 2017. Thus, under this modification, the vendor is also assigning a new VSBE subcontractor to achieve the 1% goal.

Fund Source: 100% Reimbursable (DBM Non-Budgeted Funds)

Approp. Code: F10A0202 ***Resident Business:*** No

BOARD OF PUBLIC WORKS

THIS ITEM WAS:

APPROVED

DISAPPROVED

DEFERRED

WITHDRAWN

WITH DISCUSSION

WITHOUT DISCUSSION