

RESOLUTION NO. 2014-80

AUTHORIZING CONTRACT NO. 2014-092C WITH NATIONAL VISION ADMINISTRATORS, LLC TO PROVIDE VISION BENEFITS FOR A PERIOD OF ONE YEAR WITH THREE, ONE-YEAR OPTIONS IN AN AMOUNT NOT TO EXCEED \$168,000.00 FOR THE BASE YEAR (GENERAL FUND, VARIOUS DEPARTMENT BUDGETS)

WHEREAS, the Authority provides vision benefits to its employees; and

WHEREAS, the proposal of National Vision Administrators, LLC (NVA), located at 1436 Tecumseh Drive, Hamilton Twp, OH 45039 to provide vision benefits to the Authority's employees for a period of one year with three, one-year options was received on July 25, 2014; and

WHEREAS, negotiations with NVA have resulted in an amount not to exceed \$168,000.00 based on the rates submitted and anticipated utilization; and

WHEREAS, the General Manager/Secretary-Treasurer deems the negotiated offer of NVA to be the most advantageous to the Authority, price and all other factors considered, and recommends acceptance hereof by the Board of Trustees.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Greater Cleveland Regional Transit Authority, Cuyahoga County, Ohio:

Section 1. That the proposal submitted by NVA, as modified by negotiations, to provide vision benefits to Authority employees for a period of one year with three, one-year options be and the same is hereby accepted.

Section 2. That the General Manager/Secretary-Treasurer of the Authority be and he is hereby authorized to enter into a contract with NVA to provide vision benefits for a period of one year commencing January 1, 2015 and ending December 31, 2015 and is authorized to exercise the one-year options.

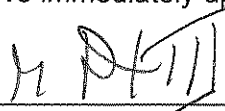
Section 3. That this procurement shall be payable from the General Fund, Various Department budgets, in an amount not to exceed \$168,000.00 for the base year. Projected costs are based on current enrollment and rates established for each specific plan for the plan year 2015 and on anticipated enrollments and rates for each of the options years.

Section 4. That said contract shall be binding upon and an obligation of the Authority contingent upon appropriation of funds for future years, compliance by each contractor to the Specifications and Addenda, if any; the Affirmative Action Plan adopted by the Board of Trustees in Resolution No. 2013-031; bonding and insurance requirements and all applicable laws relating to contractual obligations of the Authority.

Section 5. That the Greater Cleveland Regional Transit Authority's Board of Trustees expects that NVA will attempt to exceed the 12% DBE goal assigned to this procurement.

Section 6. That this resolution shall become effective immediately upon its adoption.

Adopted: September 16, 2014

  
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President

Attest:   
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CEO/General Manager/Secretary-Treasurer



<b>TITLE/DESCRIPTION:</b> <b>CONTRACT:</b> VISION BENEFITS FOR A PERIOD OF ONE YEAR WITH THREE, ONE-YEAR OPTIONS <b>VENDOR:</b> NATIONAL VISION ADMINISTRATORS, LLC <b>AMOUNT:</b> AMOUNT NTE \$168,000.00 FOR THE BASE YEAR	<b>Resolution No.:</b> 2014-80
	<b>Date:</b> September 11, 2014
	<b>Initiator:</b> Human Resources Department
<b>ACTION REQUEST:</b> <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Review/Comment <input type="checkbox"/> Information Only <input type="checkbox"/> Other _____	

- 1.0 **PURPOSE/SCOPE:** This action will allow the Authority to enter into a contract to offer its employees vision benefits for period of one year with three, one-year options.
  
- 2.0 **DESCRIPTION/JUSTIFICATION:** The Authority provides medical, prescription drug, dental, vision and life insurance benefits to its employees. This action will enable the Authority to provide vision benefits for the period January 1, 2015 through December 31, 2015 with the Authority's option to exercise up to three, one-year options.
  
- 3.0 **PROCUREMENT BACKGROUND:** The Request for Proposals was posted on the GCRTA website and advertised in the local newspapers, as required. Providers were asked to propose on any or all lines of coverage. Proposals were received on July 25, 2014 for this solicitation. AJ Gallagher, the Authority's Benefits Consultant, and a panel of Authority employees evaluated the proposals in accordance with established Procurement Policies and Procedures. After negotiations, the proposal of National Vision Administrators, LLC (NVA) was determined to be the most advantageous to the Authority to provide vision benefits to its employees. NVA offers competitive fees and an extensive selection for Authority employees. Benefits will also include required safety glasses and lenses for protective helmets.  
  
 Projected costs are based on current enrollment and rates established for each specific plan for the plan year 2015 as detailed in Attachment A and on anticipated enrollment and rates for each of the option years. A cost analysis has been performed by the Procurement Department and the proposal of NVA, as modified by negotiations, has been determined to be fair and reasonable to the Authority.
  
- 4.0 **AFFIRMATIVE ACTION/DBE BACKGROUND:** All Affirmative Action requirements have been met. A 12% DBE participation goal on administrative fees was established for this procurement. Based upon estimated annual administrative fees of \$8,400.00, NVA has committed to achieve the goal through the utilization of Quez Media Marketing (Hispanic-owned) in an amount of \$3,040.00 annually.
  
- 5.0 **POLICY IMPACT:** This procurement must be completed in order to permit the Authority to enroll employees in its vision benefits program in accordance with the Authority's personnel policies and contractual agreements with the labor unions.

- 6.0 **ECONOMIC IMPACT:** This procurement will be funded through the General Fund, Various Department budgets, in an amount not to exceed \$168,000.00 for the base year. This is an 11% increase in the total projected costs for plan year 2015.
- 7.0 **ALTERNATIVES:** Reject this offer. Rejection of this offer would risk not having these benefits available to the Authority's employees.
- 8.0 **RECOMMENDATION:** This contract was discussed by the Finance Committee at their September 2, 2014 meeting. It is recommended that the offer of National Vision Administrators, LLC, as modified by negotiations, be accepted and the resolution passed authorizing the General Manager/Secretary-Treasurer to enter into a contract.
- 9.0 **ATTACHMENTS:** Attachment A.

Recommended and certified as appropriate to the availability of funds, legal form and conformance with the Procurement requirements.

  
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CEO, General Manager/Secretary-Treasurer

<b>ATTACHMENT A</b>			
<b>RECOMMENDED PROVIDERS AND ESTIMATED BUDGET FOR PLAN YEAR 2015</b>			
<b><u>Employee Benefit Plans</u></b>	<b><u>Estimated Enrollment</u></b>	<b><u>Plan Type</u></b>	<b><u>Funding</u></b>
<b><u>[MEDICAL]</u></b>			
Medical Mutual	1502	PPO/HMO	Self-Funded
HealthSpan	356	HMO	Fully-Insured
<b><u>[DENTAL]</u></b>			
MetLife	1926	PPO	Fully-Insured
<b><u>[VISION]</u></b>			
National Vision Administrators	2004	PPO	Fully-Insured
<b><u>[TERM LIFE INSURANCE]</u></b>			
Metlife	Actives & Retirees		Fully-Insured
<b><u>[PRESCRIPTION DRUG]</u></b>			
Medical Mutual	1502		Self-Funded
<b><u>TOTAL 2014 BUDGET</u></b>		<b>\$27,100,000</b>	
<b><u>TOTAL 2015 BUDGET</u></b>		<b>\$28,700,000</b>	