



**DISTRICT OF COLUMBIA  
WATER AND SEWER AUTHORITY**

Board of Directors  
Human Resources and Labor Relations Committee  
Wednesday, September 14, 2016  
11:00 a.m.

- 1. Call to Order.....Bradley Frome  
Vice Chairman
- 2. 2017 Health and Welfare Benefit Renewals.....Otho Milbourne  
Supervisor, Total Rewards
- 3. Action Items.....Otho Milbourne  
Supervisor, Total Rewards
  - A. Contract No. 14-PR-HCM-08, Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc.
  - B. Contract No. WAS-12-050-AA-MB, Life Insurance Company of North America (Life Insurance)
  - C. Contract No. WAS-12-045-AA-MB, Life Insurance Company of North America (Disability)
- 4. Executive Session – To discuss personnel matters pursuant to D.C. Official Code Section 2-575(b)(10) .....Bradley Frome  
Vice Chairman
- 5. Adjournment ..... Bradley Frome  
Vice Chairman

\* The DC Water Board of Directors may go into executive session at this meeting pursuant to the District of Columbia Open Meetings Act of 2010, if such action is approved by a majority vote of the Board members who constitute a quorum to discuss: matters prohibited from public disclosure pursuant to a court order or law under D.C. Official Code § 2-575(b)(1); contract negotiations under D.C. Official Code § 2-575(b)(1); legal, confidential or privileged matters under D.C. Official Code § 2-575(b)(4); collective bargaining negotiations under D.C. Official Code § 2-575(b)(5); facility security under D.C. Official Code § 2-575(b)(8); disciplinary matters under D.C. Official Code § 2-575(b)(9); personnel matters under D.C. Official Code § 2-575(b)(10);proprietary matters under D.C. Official Code § 2-575(b)(11); decision in an adjudication action under D.C. Official Code § 2-575(b)(13); civil or criminal matters where disclosure to the public may harm the investigation under D.C. Official Code § 2-575(b)(14), and other matters provided in the Act.



# 2017 Health and Welfare Benefit Renewals

**Presented to:**  
**HR Labor Relations Committee**  
**Bradley Frome, Vice Chairperson**

**September 14, 2016**



## 2017 Health and Welfare Benefit Renewals

Carrier	Plan	2017 Renewal
Cigna	HMO	0%
Cigna	PPO	0%
Kaiser	HMO	-2.7%
Delta Dental	Dental PPO	0%
United Concordia	Dental HMO	-2%
UnitedHealthcare	Vision	0.0%
Life Insurance Company of North America	Life Insurance	0.0%
Life Insurance Company of North America	Short Term Disability	0.0%
Life Insurance Company of North America	Long Term Disability	0.0%

- Vision rates under guarantee through 12/31/2017
- Life and Disability rates under guarantee through 12/31/2018



## **Recommend Board Approval**

- Exercise additional option years for the following
  - Kaiser Medical Plan
  - Life Insurance Company of North America (Life Insurance)
  - Life Insurance Company of North America (Disability)

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY  
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

**ACTION REQUESTED**

**GOODS AND SERVICES CONTRACT OPTION YEAR**

**STAFF MODEL HMO MEDICAL PLAN**

**(Joint Use)**

Approval to exercise option year two (2) for staff model Health Maintenance Organization (HMO) medical plan contract in the amount of \$4,259,413.00.

**CONTRACTOR/SUB/VENDOR INFORMATION**

<b>PRIME:</b> Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc. 2101 East Jefferson Street Rockville, MD 20852	<b>SUBS:</b> N/A	<b>PARTICIPATION:</b> N/A
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**DESCRIPTION AND PURPOSE**

Original Contract Value:	\$3,809,536.00
Original Contract Dates:	01-01-2015 — 12-31-2015
No. of Option Years in Contract:	4
Option Year 1 Value:	\$4,379,587.00
Option Year 1 Dates:	01-01-2016 — 12-31-2016
<b>Option Year 2 Value:</b>	<b>\$4,259,413.00</b>
<b>Option Year 2 Dates:</b>	<b>01-01-2017 — 12-31-2017</b>

**Purpose of the Contract:**

To provide the HMO medical plan to District of Columbia Water and Sewer Authority (DC Water) employees hired on/or after October 1, 1987.

**Contract Scope:**

The contract provides for HMO medical services to DC Water employees. Kaiser presented DC Water with a rate reduction of 2.7% for 2017. The difference in premiums between 2015 and 2016 plan years, and the projected plan year 2017 are due to fluctuations in enrollment/volume and age band of the population.

**Spending Previous Year:**

Cumulative Contract Value:	01-01-2015 to 12-31-2016: \$8,189,123.00
Cumulative Contract Spending:	01-01-2015 to 07-31-2016: \$6,511,239.77

**Contractor's Past Performance:**

According to the COTR, the Contractor's services; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations.

**No LBE/LSBE participation.**

**PROCUREMENT INFORMATION**

<b>Contract Type:</b>	Fixed Price	<b>Award Based On:</b>	Sole Source
<b>Commodity:</b>	Services	<b>Contract Number:</b>	14-PR-HCM-08
<b>Contractor Market:</b>	Open Market with Preference Points for LBE and LSBE Participation		

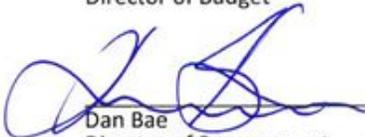
**BUDGET INFORMATION**

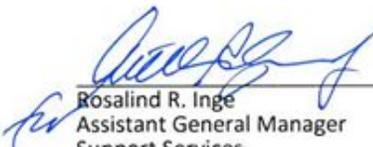
<b>Funding:</b>	Operating	<b>Department:</b>	Human Capital Management
<b>Project Area:</b>	DC Water Wide	<b>Department Head:</b>	Rick Green

**ESTIMATED USER SHARE INFORMATION**

User - Operating	Share %	Dollar Amount
District of Columbia	82.36%	\$3,508,053.00
Washington Suburban Sanitary Commission	12.98%	\$552,871.00
Fairfax County	3.21%	\$136,727.00
Loudoun Water	1.25%	\$53,243.00
Other (PI)	0.20%	\$8,519.00
<b>TOTAL ESTIMATED DOLLAR AMOUNT</b>	<b>100.00%</b>	<b>\$4,259,413.00</b>

 , 9/6/16  
 Gail Alexander-Reeves                      Date  
 Director of Budget

 , 9/1/16  
 Dan Bae    Date  
 Director of Procurement

 , 9/6/2016  
 Rosalind R. Inge                              Date  
 Assistant General Manager  
 Support Services

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 George S. Hawkins                              Date  
 General Manager

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY  
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

**ACTION REQUESTED**

**GOODS AND SERVICES CONTRACT OPTION YEAR**

**GROUP LIFE INSURANCE SERVICES**

**(Joint Use)**

Approval to exercise option year three (3) for Group Life Insurance Services contract in the amount of \$541,000.00.

**CONTRACTOR/SUB/VENDOR INFORMATION**

<b>PRIME:</b> Life Insurance Company of North America 10400 Little Patuxent Parkway, Suite 400 Columbia, MD 21044	<b>SUBS:</b> N/A	<b>PARTICIPATION:</b> N/A
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**DESCRIPTION AND PURPOSE**

<b>Original Contract Value:</b>	\$737,718.00
<b>Original Contract Dates:</b>	01-01-2013 — 12-31-2014
<b>No. of Option Years in Contract:</b>	3
<b>Option Year 1 Value:</b>	\$484,222.00
<b>Option Year 1 Dates:</b>	01-01-2015 — 12-31-2015
<b>Option Year 2 Value:</b>	\$526,408.00
<b>Option Year 2 Dates:</b>	01-01-2016 — 12-31-2016
<b>Option Year 3 Value:</b>	<b>\$541,000.00</b>
<b>Option Year 3 Dates:</b>	<b>01-01-2017 — 12-31-2017</b>

**Purpose of the Contract:**

To provide the District of Columbia Water and Sewer Authority (DC Water) employees with DC Water paid basic life insurance. Employees have the option to purchase Supplemental Life Insurance, Accidental Death and Dismemberment Insurance and Dependent Life Insurance.

**Contract Scope:**

The contract provides for group life insurances both DC Water paid and employee optional Supplemental, Accidental and Dismemberment insurances. The difference in premiums between 2015 and 2016 plan years, and the projected plan year 2017 are due to fluctuation in enrollment/volume and age band of the population.

**Spending Previous Year:**

Cumulative Contract Value:	01-01-2013 to 12-31-2016: \$1,748,348.00
Cumulative Contract Spending:	01-01-2013 to 07-31-2016: \$1,776,810.27

**Contractor's Past Performance:**

According to the COTR, the Contractor's services; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations.

**No LBE/LSBE participation.**

**PROCUREMENT INFORMATION**

<b>Contract Type:</b>	Fixed Price	<b>Award Based On:</b>	Highest Ranked Offeror
<b>Commodity:</b>	Services	<b>Contract Number:</b>	WAS-12-050-AA-MB
<b>Contractor Market:</b>	Open Market with Preference Points for LBE and LSBE Participation		

**BUDGET INFORMATION**

<b>Funding:</b>	Operating	<b>Department:</b>	Human Capital Management
<b>Project Area:</b>	DC Water Wide	<b>Department Head:</b>	Rick Green

**ESTIMATED USER SHARE INFORMATION**

User - Operating	Share %	Dollar Amount
District of Columbia	82.36%	\$445,568.00
Washington Suburban Sanitary Commission	12.98%	\$70,222.00
Fairfax County	3.21%	\$17,366.00
Loudoun Water	1.25%	\$6,762.00
Other (PI)	0.20%	\$1,082.00
<b>TOTAL ESTIMATED DOLLAR AMOUNT</b>	<b>100.00%</b>	<b>\$541,000.00</b>

  
 Gail Alexander-Reeves \_\_\_\_\_ Date  
 Director of Budget

  
 Dan Bae \_\_\_\_\_ Date  
 Director of Procurement

  
 Rosalind R. Inge \_\_\_\_\_ Date  
 Assistant General Manager

\_\_\_\_\_  
 George S. Hawkins \_\_\_\_\_ Date  
 General Manager

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY  
BOARD OF DIRECTORS CONTRACTOR FACT SHEET**

**ACTION REQUESTED**

**GOODS AND SERVICES CONTRACT OPTION YEAR**

**GROUP DISABILITY INSURANCE SERVICES**

**(Joint Use)**

Approval to exercise option year three (3) for Group Disability Insurance Services contract in the amount of \$592,964.16.

**CONTRACTOR/SUB/VENDOR INFORMATION**

<b>PRIME:</b> Life Insurance Company of North America 10400 Little Patuxent Parkway, Suite 400 Columbia, MD 21044	<b>SUBS:</b> N/A	<b>PARTICIPATION:</b> N/A
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**DESCRIPTION AND PURPOSE**

<b>Original Contract Value:</b>	\$708,832.00
<b>Original Contract Dates:</b>	01-01-2013 — 12-31-2014
<b>No. of Option Years in Contract:</b>	3
<b>Option Year 1 Value:</b>	\$445,979.00
<b>Option Year 1 Dates:</b>	01-01-2015 — 12-31-2015
<b>Option Year 2 Value:</b>	\$492,978.00
<b>Option Year 2 Dates:</b>	01-01-2016 — 12-31-2016
<b>Option Year 3 Value:</b>	<b>\$592,964.16</b>
<b>Option Year 3 Dates:</b>	<b>01-01-2017 — 12-31-2017</b>

**Purpose of the Contract:**

To provide the District of Columbia Water and Sewer Authority (DC Water) employees with the option to purchase Short-Term and Long-Term Disability coverage.

**Contract Scope:**

The contract provides for group long and short term disability insurances. Long term disability rates increased by 20.4% in 2016 and short term disability remained unchanged. The difference in premiums between 2015 and 2016 plan years, and the projected plan year 2017 are due to fluctuation in enrollment/volume and age band of the population and long term disability rate increases.

**Spending Previous Year:**

Cumulative Contract Value:	01-01-2013 to 12-31-2016: \$1,647,789.00
Cumulative Contract Spending:	01-01-2013 to 07-31-2016: \$1,673,651.03

**Contractor's Past Performance:**

According to the COTR, the Contractor's services; conformance to DC Water's policies, procedures and contract terms; and invoicing all meet expectations.

**No LBE/LSBE participation.**

**PROCUREMENT INFORMATION**

<b>Contract Type:</b>	Fixed Price	<b>Award Based On:</b>	Highest Ranked Offeror
<b>Commodity:</b>	Services	<b>Contract Number:</b>	WAS-12-045-AA-MB
<b>Contractor Market:</b>	Open Market with Preference Points for LBE and LSBE Participation		

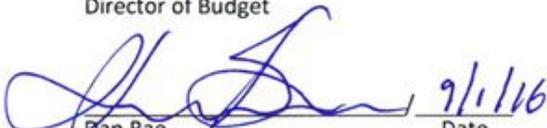
**BUDGET INFORMATION**

<b>Funding:</b>	Operating	<b>Department:</b>	Human Capital Management
<b>Project Area:</b>	DC Water Wide	<b>Department Head:</b>	Rick Green

**ESTIMATED USER SHARE INFORMATION**

User - Operating	Share %	Dollar Amount
District of Columbia	82.36%	\$488,365.28
Washington Suburban Sanitary Commission	12.98%	\$76,966.75
Fairfax County	3.21%	\$19,034.15
Loudoun Water	1.25%	\$7,412.05
Other (PI)	0.20%	\$1,185.93
<b>TOTAL ESTIMATED DOLLAR AMOUNT</b>	<b>100.00%</b>	<b>\$592,964.16</b>

  
 Gail Alexander-Reeves      Date  
 Director of Budget

  
 Dan Bae      Date  
 Director of Procurement

  
 Rosalind R. Inge      Date  
 Assistant General Manager  
 Support Services

\_\_\_\_\_  
 George S. Hawkins      Date  
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