



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY**

Board of Directors
Human Resources and Labor Relations Committee
Wednesday, September 13, 2017
11:00 a.m.

- 1. Call to Order.....Bradley Frome
Chairman
- 2. Group Life and Disability Request for Proposal Otho Milbourne
Supervisor, Total Rewards
- 3. Action Item Otho Milbourne
Supervisor, Total Rewards

A. Contract No. 17-PR-HCM-36 – Cigna Contract Award for Group Life and Disability Insurance

- 4. Union Topics Union Presidents
Frank Walton, (Secretary), AFSCME 2091
Michele Hunter, NAGE R3-06
Barbara Milton, AFGE 631
Jonathan Shanks, AFGE 872
Calvert Wilson, AFGE 2553

- A. Civil Service Buyout presentation package presented to the DC Water Finance Committee in 2016/2017. We are seeking a copy of the presentation documents. The HR Committee told us at a previous meeting that we would be given a copy of the presentation but management has failed to provide it to us.
- B. DC Water staffing and hiring practice, including subjectivity of the interview process.
- C. Denying employees their performance bonus after receiving a performance rating of Level 2 or Level 3. DC Water must be fair and equitable to its hard working employees.
- D. Continued tension between labor and management at DC Water, it appears that union presidents and representatives are being targeted for negative actions as a consequence of the union’s silent protest.

- 5. Executive Session – To discuss personnel matters pursuant to D.C. Official Code Section 2-575(b)(10)Bradley Frome
Chairman
- 6. Adjournment Bradley Frome
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.



Life and Disability Request for Proposal

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

September 13, 2017



Group Life and Disability Services

- Request for Proposal issued on May 30, 2017

- Proposals received from
 - Aetna Life Insurance Company
 - Cigna Life (incumbent)
 - Dearborn Life Insurance Company
 - MetLife
 - Minnesota Life
 - Standard Life Insurance Company



Group Life and Disability Services

- Evaluation Panel
 - Tanya Deleon, Risk Manager
 - Ayodele McClenney, Director, Occupational Safety and Health
 - Otho Milbourne, Supervisor, Total Rewards

- Technical Evaluation Factors (80%)
 - Qualifications and Experience
 - Plan Design
 - Claims Management and Administration
 - Reporting Capabilities
 - Quality Control and Assurance

- Pricing (20%)



Group Life and Disability

- Technical (80%):
 - The panel gave the highest technical scores to Cigna
 - Online capabilities for claims submission
 - Quoted both plans with no deviations from the current plan design
 - Offered performance guarantees
 - Offered a variety of value-added programs at no cost
 - Will Preparation and Estate Planning – Online tools for creating Standard Wills and other documents such as Durable Power of Attorney, Power of Attorney for Healthcare and Living Wills
 - Identity Theft – Access to personal case managers to assist with lost identity
 - MySecure Advantage – Free 90 day money-coaching program for employees enrolled in short and long term disability plans with a disability claim
 - An experienced, credentialed financial professional will assist, advise and teach participants new money habits and provide coaching on a variety of financial matters



Group Life and Disability

- Pricing (20%):

Vendor	Life change over current (%)	Disability change over current (%)	Change over current (\$)
Aetna	(-1.7%)	(-14.5%)	(\$99,170)
Cigna	(-1.7%)	0.0%	(\$10,390)
Dearborn	(-14.7%)	7.1%	(\$48,070)
MetLife	(-25.5%)	23%	(\$17,279)
Minnesota	(-10.4%)	No quote	N/A
Standard	(-5.9%)	6.0%	\$563



Group Life and Disability

Conclusion:

- Recommend awarding the Cigna Life and Disability services contract for (1) one base period and (4) four option years
 - Cigna received the highest overall score on evaluation factors
 - Price was determined to be fair and reasonable based on an independent analysis conducted by Aon Hewitt
 - DC Water is satisfied with the level of service that CIGNA has provided

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

ACTION REQUESTED

**GOODS AND SERVICES CONTRACT AWARD
GROUP LIFE AND DISABILITY INSURANCE SERVICES
(Joint Use)**

Approval to execute a contract for group life insurance services in the amount of \$1,223,965.00 with Life Insurance Company of North America (CIGNA) for the base one (1) year contract term and additional two (2) year rate guarantee.

CONTRACTOR/SUB/VENDOR INFORMATION

PRIME: CIGNA Group Insurance 111 S. Calvert Street, Suite 1600 Baltimore, MD 21202	SUBS: N/A	PARTICIPATION: N/A
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DESCRIPTION AND PURPOSE

Base Period Contract Value:	\$1,223,965.00
Base Contract Period:	1 Year with additional 2 year rate guarantee
No. of Option Years:	4
Anticipated Contract Start Date:	01-01-2018
Anticipated Base Period Completion Date:	12-31-2018
Proposal Closing Date:	06-28-2017
Proposals Received:	6
Proposal Price Range:	\$1,135,184.00 -\$1,234,917.00

Purpose of the Contract:

CIGNA was selected based upon the overall ratings to provide group life Insurance Services including options for term life, dependent life and accidental death and dismemberment insurance. DC Water pays for one (1) times base salary of basic term life for employees. The Group Disability coverage is an optional benefit in which employees can enroll and pay 100% of the cost through payroll deduction.

Contract Scope:

The Department of Human Capital Management has an on-going need for a competent and qualified firm to provide group life and disability insurance services.

Evaluated Companies:

1. Cigna	4. Dearborn
2. Aetna	5. MetLife
3. Standard	6. Minnesota Life (Life Quote Only)

Note: Ranking 1 – highest score and Ranking 6 – lowest score.

No LBE/LSBE Participation

PROCUREMENT INFORMATION

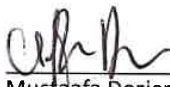
Contract Type:	Firm Fixed Price	Award Based On:	Highest Ratings
Commodity:	Professional Services	Contract Number:	17-PR-HCM-36
Contractor Market:	Open Market with Preference Points for LBE and LSBE Participation		

BUDGET INFORMATION

Funding:	Operating	Department:	Department of Human Capital Management
Service Area:	DC Water Wide	Department Head:	Roger Brown

ESTIMATED USER SHARE INFORMATION

User	Share %	Dollar Amount
District of Columbia	83.65%	\$1,023,847.00
Washington Suburban Sanitary Commission	12.07%	\$147,733.00
Fairfax County	2.84%	\$34,760.00
Loudoun Water	1.25%	\$15,300.00
Other (PI)	.19%	\$2,325.00
TOTAL ESTIMATED DOLLAR AMOUNT	100.00%	\$1,223,965.00


 Mustaaafa Dozier
 Chief of Staff
 9.5.17
 Date


 Dan Bae
 Director of Procurement
 9/5/17
 Date


 Matthew T. Brown
 Chief Financial Officer
 9/6/17
 Date

 George S. Hawkins
 General Manager
 /
 Date