

**BOARD OF EDUCATION OF HARFORD COUNTY**

**INFORMATIONAL REPORT**

**APPROVAL OF LIFE INSURANCE AND ACCIDENTAL DEATH AND  
DISMEMBERMENT INSURANCE**

**MARCH 21, 2016**

Background Information:

The Purchasing Department, on behalf of the Human Resources Department, is requesting approval to award a contract to MetLife National Accounts, 6085 Marshalee Drive Suite 210 Elkridge, Maryland 21075, for Basic and Supplemental Life Insurance and Accidental Death and Dismemberment Insurance.

Discussion:

After reviewing the current Basic Life, Accidental Death and Dismemberment and Supplemental Life Insurances, Harford County Public Schools (HCPS) decided to bid these services competitively. With the assistance of Bolton Partners, a Request for Proposal (RFP) was developed and eight responses were received. Of those responses, three were asked for Best and Final Offers. After reviewing the Best and Final Offers, MetLife was determined to be the best value. It is projected that HCPS will reduce its cost for Basic Life and AD&D coverage by \$78,855.00 per year below the current contract and save \$551,985.00 over the next seven years. In addition, the combined total cost of optional supplemental life insurance, which is borne solely by the employee, will be reduced by \$28,210.00 for year one and by \$84,500.00 per year for years 2 - 7.

The Contract term is for three (3) years, with two (2), two (2) year renewals. The rates are guaranteed throughout the full seven years of the Contract. The contracting vehicle for this contract is HCPS RFP # 16-BP-007.

The Annual Cost Breakdown is:	<u>Year 1</u>	<u>Years 2-7</u>
Board of Education portion paid (90%)	\$492,289.00	\$492,289.00
Employee portion paid ( 10% )	\$ 54,698.00	\$ 54,698.00
Optional Supplemental Life employee paid (100%)	<u>\$193,451.00</u>	<u>\$137,027.00</u>
Total overall contract value	\$740,438.00	\$684,014.00

These dollar amounts are based off of current employee data.

The contract will be funded from the FY17 Operating Budget Account.

Superintendent's Recommendation:

The Superintendent of Schools recommends that the Board of Education approve the contract with MetLife National Accounts, in the amount of \$740,438.00.