

Management Committee

For the Metropolitan Council meeting of August 10, 2016

Subject: Contract with MetLife for Long-Term Disability Insurance

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and award a contract with MetLife in the amount of \$800,000 to provide long-term disability insurance for all eligible Council employees for a period of three years, January 1, 2017 through December 31, 2019.

Summary of Committee Discussion/Questions

Staff presented the business item. There were no questions from Management Committee members. The motion passed unanimously.

Management Committee

Meeting date: July 27, 2016

For the Metropolitan Council meeting of August 10, 2016

Subject: Enter Into a Contract with MetLife for Long-Term Disability Insurance

District(s), Member(s): All

Policy/Legal Reference: Council Policy 3-3 Expenditures – Procurement of Goods and Services over \$500,000

Staff Prepared/Presented: Terri Bopp, 651-602-1370; Marcy Cordes, 651-602-1582

Division/Department: R/A Human Resources-Benefits

Proposed Action

That the Metropolitan Council authorizes the Regional Administrator to negotiate and award a contract with MetLife in the amount of \$800,000 to provide long-term disability insurance for all eligible Council employees for a period of three years, January 1, 2017 through December 31, 2019.

Background

The current contract with Hartford expires December 31, 2016 at the end of a five year contract. A formal Request for Proposals was issued April 18, 2016. Proposals were due May 17, 2016.

Proposals were submitted by the following companies: Cigna; Hartford; Madison National; MetLife; Standard. All proposals were evaluated individually by each panel member without collaboration with any other panel member. Proposals were evaluated on the following criteria: quality of the proposal, qualifications of the proposer, experience of the proposer, and price of the proposal. A consensus meeting was held June 20, 2016 where consensus was reached.

Rationale

The evaluation panel reached the consensus that the proposal submitted by MetLife represents the best value to the Council. MetLife and Hartford both demonstrated the qualifications, resources and expertise to successfully provide the services. However, MetLife's more competitive price gave them the edge as the proposer with the proposal most advantageous to the Council.

Thrive Lens Analysis

Authorization to enter into a contract with MetLife for long-term disability insurance supports the Thrive outcome of Stewardship by providing long-term disability insurance at the lowest cost available over the next three years.

Funding

Funding is available through the Operating Budget of each division.

Known Support / Opposition

None