

**AUTHORIZE NEW AGREEMENT WITH TELLIGEN HEALTH MANAGEMENT SOLUTIONS, INC. FOR
HEALTHCARE UTILIZATION AND CASE MANAGEMENT SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize a new agreement with Telligen Health Management Solutions, Inc. to provide healthcare utilization and case management services to the Talent Office at a cost of approximately \$1,400,000.00 annually, total cost not to exceed \$4,200,000.00 for the three year term. Vendor was selected on a competitive basis pursuant to Board Rule 7-2. A written agreement for Vendor's services is currently being negotiated. No services shall be provided by Vendor and no payment shall be made to Vendor prior to execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 90 days of the date of this Board Report. Information pertinent to this agreement is stated below.

Specification Number : 13-250041

Contract Administrator : Seanior, Miss Pamela Dorcas / 773-553-2280

VENDOR:

- 1) Vendor # 24539
TELLIGEN HEALTH MANAGEMENT
SOLUTIONS, INC
6000 WESTOWN PARKWAY,
WEST DES MOINES, IA 50266-7771
Peg Mason
515 223-2857

USER INFORMATION :

Project
Manager: 11010 - Office of Human Capital

125 S Clark St - 2nd Floor

Chicago, IL 60603

Wolter, Mr. William R.

773-553-3807

TERM:

The term of this agreement shall commence on January 1, 2014 and shall end December 31, 2016. This agreement shall have two options to renew for periods of twelve months each with the cost of the first option not to exceed \$1,500,000.00 and the cost of the second option not to exceed \$1,600,000.00.

EARLY TERMINATION RIGHT:

The Board shall have the right to terminate this agreement with 30 days written notice.

SCOPE OF SERVICES:

Vendor will provide medical necessity utilization review, case management, maternity management, and other related services for the Board's self-insured health care program.

DELIVERABLES:

Vendor will provide the following deliverables on behalf of the Board's self-insured medical plan:

- Provide utilization review of specified health services and medical equipment to ensure medical necessity, and approve and deny services as appropriate.
- Provide comprehensive customer service including utilization review intake services 24 hours a day for the purpose of commencing utilization review.
- Provide determinations of review within the timeframes specified in the written agreement.
- Develop communications used to notify plan enrollees of determinations and other communication materials subject to approval by the Board.
- Provide case management services in lieu of hospitalization or alternative health care services to medical plan enrollees in complex medical cases as specified in the written agreement.
- Provide a maternity management program staffed with maternity health coaches that will assist expectant mothers enrolled the medical plan with the goal achieving a healthy pregnancy and delivery.
- Provide detailed reporting to the Board, including but not limited to, quarterly activity reports, program evaluation, and savings attribution reports.

OUTCOMES:

The vendor's comprehensive and affordable medical advisory services will result in health plan savings for the Board's self-insured health plan benefit.

COMPENSATION:

Vendor shall be paid as follows: at a fixed per employee per month rate for utilization management services and at an hourly rate for specific case management services as specified in the written agreement; approximately \$1,400,000.00 annually, total not to exceed \$4,200,000.00 for the three year term.

REIMBURSABLE EXPENSES:

None

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written agreement. Authorize the President and Secretary to execute the agreement. Authorize Chief Talent Officer to execute all ancillary documents required to administer or effectuate this agreement.

AFFIRMATIVE ACTION:

This contract is in full compliance with the goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts. The M/WBE participation goals for this agreement are: 25% total MBE and 5% WBE.

Total MBE: 25%
Meadows Office Supply
30W260 Butterfield Rd., Unit 210
Warrenville, IL 60555
Contact: Sandra Wong

Total WBE: 5%
AltaStaff
19 S. LaSalle St., Suite 800
Chicago, IL 60603
Contact: Taz Wilson

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Budget Classification: Expense as allocated to all positions through account 57305 (Hospitalization and dental insurance) across all operating funds, units, programs, and grants.

FY2014 - \$700,000.00

FY2015 - \$1,400,000.00

FY2016 - \$1,400,000.00

FY2017 - \$700,000.00

Future year funding is contingent upon budget appropriation and approval.

CFDA#: Not Applicable

GENERAL CONDITIONS:

Inspector General - Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness - The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted May 25, 2011 (11-0525-PO2), as amended from time to time, shall be incorporated into and made a part of the agreement.

Contingent Liability - The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).

Approved for Consideration:



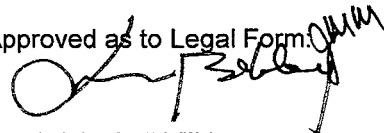
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



BARBARA BYRD-BENNETT
Chief Executive Officer

Approved as to Legal Form:



JAMES L. BEBLEY
General Counsel