

AUTHORIZE A NEW AGREEMENT WITH AMERICAN HEALTHWAYS SERVICES, LLC FOR DISEASE MANAGEMENT SERVICES

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Authorize a new agreement with American Healthways Services, LLC to provide Disease Management services to the Talent Office at a total cost not to exceed \$4,500,000.00. 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.

VENDOR:

- 1) Vendor # 64873
AMERICAN HEALTHWAYS SERVICES,
LLC
701 COOL SPRINGS BLVD.
FRANKLIN, TN 37067
Andrea Stafford
615 614-4431

USER INFORMATION :

Contact:

11010 - Talent Office

125 S Clark St - 2nd Floor

Chicago, IL 60603

Tiefenthaler, Ms. Kristine C.

773-553-1070

TERM:

The term of this agreement shall commence on July 1, 2014 and shall end June 30, 2017. This agreement shall have 2 options to renew for periods of 1 year each with the cost of each option not to exceed \$2,000,000.00.

EARLY TERMINATION RIGHT:

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

SCOPE OF SERVICES:

Vendor will administer and provide Disease Management (DM) services for employees and their dependents that elect coverage in the CPS health plan. Services include, but are not limited to the following:

- a. Provide DM interventions to program eligible members
- b. Receive and process eligibility and other data files from CPS vendors for the purpose of maintaining program eligibility and identifying prevalence of disease states for targeted interventions

- c. Provide standard quarterly and ad hoc reporting to the Board on all program activity including return on investment reports
- d. Create and deliver all communications, marketing material, and program information to eligible members via email, program website, online member user portal, USPS mail, and telephonically
- e. Work collaboratively with the Board to effectively manage the program and implement various strategies and plan design initiatives
- f. Develop an implementation plan, conduct the implementation of DM services, and provide training materials and onsite training for Board staff who oversee program administration
- g. Provide onsite DM services to eligible members
- h. Provide a toll-free number for DM participants twenty four hours per day

DELIVERABLES:

Vendor will provide all necessary communications, brochures, pamphlets and materials to the Board and Board employees, respond to telephone inquiries and direct employees to appropriate use of DM services, provide management reports to ensure that all services are rendered in a prompt and fair manner to all eligible employees and their dependents, provide return on investment reports to ensure that services are being provided in a cost effective manner and are resulting in savings for the Board's self funded health plan.

OUTCOMES:

Vendor's services will result in an efficiently managed and successful disease management program that will result in savings for the Board's self funded health plan.

COMPENSATION:

Vendor shall be paid as follows: at a fixed per employee per month rate and a per participant per month rate as determined by the identified disease state of the member as specified in the written agreement; total not to exceed the sum of \$4,500,000.00 for the initial term of this agreement.

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:

The M/WBE goals for this agreement include: 15% total MBE and 5% total WBE participation. However, the Office of Business Diversity recommends a partial waiver of the MBE goals required by the Remedial Program for Minority and Women Owned Business Enterprise Participation in Goods and Services Contracts, be granted due to the scope of services being not further divisible

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fund 115
Talent Office, 11010
\$4,500,000.00, FY14 - FY17

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:



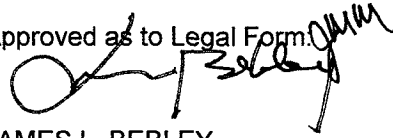
SÉBASTIEN de LONGEAUX
Chief Procurement Officer

Approved:



BARBARA BYRD-BENNETT
Chief Executive Officer

Approved as to Legal Form:



JAMES L. BEBLEY
General Counsel