



Date of Memo: October 12, 2022
Current Meeting: October 20, 2022
Board Meeting: October 27, 2022

BOARD MEMORANDUM

TO: Indianapolis Public Transportation Corporation (IPTC) Board of Directors

THROUGH: President/CEO Inez P. Evans

FROM: Director of Budget Justin Burcope
Chief Policy and Labor Relations Officer Jeff Brown

SUBJECT: Consideration and approval to negotiate a contract with Anthem for group vision plan premiums and coverage

ACTION ITEM A – 12

RECOMMENDATION:

In a manner consistent with IPTC procurement and contract award standards, we request that the Board authorize the President/CEO to negotiate and enter into a four-year contract with Anthem for Group Vision Insurance premiums and coverage for current member enrollment at an annual cost of \$80,327, subject to increase based on future enrollment.

BACKGROUND:

IPTC takes a progressive approach to create a healthier workforce and as such provides a comprehensive benefits package to our workforce. As part of this benefits package, IPTC provides its workforce with vision insurance coverage to help employees offset the cost of vision care and to help the employee maintain good overall eye health.

DISCUSSION:

Anthem is the incumbent vendor providing group vision insurance premiums and coverage. The current contract expires at the end of 2022, and to that end, IPTC engaged LHD Benefit Advisors to serve as its broker and procure services for group vision insurance using the following criteria for a recommendation: total cost of services, contractual benefits, provider network strength, and rate guarantees. Based on these guidelines, Anthem is the suggested successful bidder for the following reasons:

- Anthem was tied with another vendor as the lowest bidder offering a 2.41 decrease in annual costs to IPTC.
- Anthem vision offer is a 4-year rate guarantee which tied as the best offer amongst bidders.
- There will be no network disruption.

The following is the total premium cost to employee under the new plan:

- Employee Only \$6.92 per month
- Employee + Spouse \$11.76 per month
- Employee + Child(ren) \$12.45 per month
- Employee + Family \$18.67 per month

In summary, IPTC believes that Anthem is the best overall value for the quality and level of services for IPTC employees and families.

ALTERNATIVES:

The Board could choose not to award this contract to the recommended vendor and direct the CEO to negotiate with another vendor.

FISCAL IMPACT:

The total cost of this procurement for vision insurance premiums and coverage is projected to be \$80,327, subject to increase or decrease based on future enrollments. Human Resources will work with Finance to manage the funding of this procurement with the existing budget for each year of the contract.

DBE/XBE DECLARATION:

This contract will be funded by the Operations budget, and therefore, it does not require an established Disadvantaged Business Enterprise Program (“DBE”) participation goal. Given the complexity and nature of this opportunity subcontracting possibilities were limited. It is our continued commitment to partner with certified “XBE” firms with the City of Indianapolis Office of Minority and Women Business Development and the Indiana Department of Administration Division of Supplier Diversity when opportunities present themselves.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

This action will be reviewed by the Finance Committee on October 20, 2022.