



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

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Title: Authorization to enter into an agreement for Contract 17-RFP-26 Vision Plan Administrator, with Vision Service Plan of Illinois, NFP for a three-year period, effective January 1, 2018 to December 31, 2020, Account 101-25000-601250

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Date	Ver.	Action By	Action	Result
10/19/2017	1	Board of Commissioners	Approved	Pass
10/19/2017	1	Committee of the Whole	Recommended	Pass

TRANSMITTAL LETTER FOR BOARD MEETING OF OCTOBER 19, 2017

COMMITTEE ON PROCUREMENT

Mr. David St. Pierre, Executive Director

Authorization to enter into an agreement for Contract 17-RFP-26 Vision Plan Administrator, with Vision Service Plan of Illinois, NFP for a three-year period, effective January 1, 2018 to December 31, 2020, Account 101-25000-601250

Dear Sir:

Authorization is requested to enter into an agreement with Vision Service Plan of Illinois, NFP (VSP) to provide a vision plan for employees for a three-year period.

The District advertised Request for Proposal 17-RFP-26 Vision Plan Administrator on June 7, 2017. Eighty (80) firms were notified and twenty-one (21) firms requested proposal documents. The District received five (5) responsive proposals on July 7, 2017 from EyeMed Vision Care (EyeMed); Davis Vision, Inc. (Davis); Humana Insurance Company (Humana); National Vision Administrators, LLC (NVA); and VSP.

The proposals were evaluated by consultants from Deloitte Consulting and staff of the Human Resources and Procurement and Materials Management Departments. The criteria for these evaluations were outlined in Request for Proposal 17-RFP-26 and included: organizational stability and experience; ability to administer the current plan design; network size and quality; claims administration performance; member service performance; administrative performance; and financial considerations. Following the preliminary evaluation of proposals, excluding cost, all five bidders were deemed to be finalists and were invited to interviews conducted on August 23, 2017 and August 24, 2017. A solicitation was sent to each finalist on August 28, 2017 for an unqualified "best and final" offer. The "best and final" offers were returned to the Director of Procurement and Materials Management on September 1, 2017.

Based on the evaluation of the proposals using the criteria described above and the pricing provided in the “best and final” offer, it is recommended that a contract for self-insured vision benefits be awarded to VSP. VSP, the MWRD’s current provider, received the highest technical score. VSP is a non-profit organization with more than 60,000 clients including 17 state governments and thousands of local government agencies. Local public sector clients include the Chicago Park District and City Colleges of Chicago. Its total membership far exceeds its competitors with over 78 million participants covered, 2.3 million of these members in the Chicagoland market. VSP offers District employees an extensive network of independent optometrists and the largest number of in-network ophthalmologists. It also offers a significant network of retail locations including Visionworks, Pearle Vision, Costco, Walmart, Sam’s Club and Rosin Eyecare. In early 2018, VSP will also be introducing its own retail chain to continue to expand the number of access points for participants. For those participants that prefer online shopping, VSP offers the option to shop for and purchase eyewear from its eyeconic.com website. VSP offers the highest average discounts for eye exams of those vendors submitting a proposal and above average discounts on frames. In addition, the average cost for District employees is the lowest among the proposals received. The proposal makes no changes to the current plan design.

The Diversity Section has reviewed the submittal by VSP and concluded that they have met the requirements of Appendix A.

In view of the foregoing, it is requested that the Director of Procurement and Materials Management be authorized to enter into an agreement with VSP to administer a vision plan for employees for a three-year period from January 1, 2018 through December 31, 2020.

Funds for 2018, 2019 and 2020 are contingent on the Board of Commissioners’ approval of the District’s budget for those years.

Recommended, Beverly K. Sanders, Director of Human Resources
Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management
Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement
Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for October 19, 2017