



District School Board of Pasco County

20430 Gator Lane • Land O' Lakes, Florida 34638 • 813/794-2221

Heather Fiorentino, Superintendent


www.pasco.k12.fl.us

Department of Purchasing
Kendra Goodman, CPPO, CPPB, Purchasing Agent
813/794-2221 Fax: 813/794-2111
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June 7, 2011

MEMORANDUM

TO: Honorable School Board Members

FROM: Kendra Goodman, CPPO, CPPB, Purchasing Agent 

SUBJECT: RFP 06-049-AZ, Life Insurance
Term Extension to Five-Year Agreement
Minnesota Life Insurance Company

On November 3, 2009, official action was taken to award the above-referenced RFP to Minnesota Life Insurance Company for life insurance (employee basic and supplemental, spouse supplemental, dependent supplemental, accidental death and dismemberment, and retiree life insurance). This RFP is a five-year contract, renewable annually by mutual consent of the parties. It has been renewed every year since its inception, and a one (1)-year term extension was Board approved on November 2, 2010 (copy attached) Per the terms of the original RFP, we were permitted the extension, which is now due to expire on December 31, 2011.

Ms. Mary Tillman, Director of Employee Benefits, Assistance & Risk Management, is requesting an additional one (1)-year extension to the existing contract. Ms. Olga Swinson, Chief Finance Officer, has endorsed this request. Per Florida Administrative Rule 6A-1.012(15), we are permitted to negotiate for insurance, should it be in the best interest of the Board to do so. Minnesota Life has agreed in writing (attached) to the term extension, holding the same premium rate for the life and accidental death and dismemberment coverage for District employees. Please see the attached memo from Ms. Tillman for detailed information.

The cost to the Board in 2012 is estimated to be \$625,000, and will be paid out of insurance funding provided by the Board. At this time it is my recommendation to enter into this one (1)-year extension of the agreement with Minnesota Life. The contract period will be January 1, 2012 – December 31, 2012. Should you have any questions concerning this matter, please feel free to contact Mary Tillman or me at your earliest convenience.

KDG/az

Attachments

Date/Time: June 1, 2011 09:52:00



District School Board of Pasco County

7227 Land O' Lakes Boulevard • Land O' Lakes, Florida 34638 • 813/794-2000

Heather Fiorentino, Superintendent

www.pasco.k12.fl.us

Employee Benefits, Assistance & Risk Management

Mary Tillman, Director

813/794-2759 Fax: 813/794-2173

727/774-2759 TDD: 813/794-2484

352/524-2759 e-mail: mtillman@pasco.k12.fl.us

DATE: June 7, 2011

TO: Kendra Goodman, Purchasing Agent

FROM: Mary Tillman, Director of Employee Benefits *Mary H. Tillman*

RE: 2012 Extension for Minnesota Life Insurance Company

On August 16, 2005, RFP 06-049-AZ for Group Life Insurance was awarded to Minnesota Life Insurance Company for employee basic and supplemental, spouse supplemental, dependent supplemental and retiree life insurance. The District is currently in a one-year extension of the five year contract, which has been renewed annually upon mutual consent, and included a three year rate guarantee. On April 1, 2009, Minnesota Life decreased the Board's premium and guaranteed that rate through December 31, 2011.

The services provided by Minnesota Life have been satisfactory. Minnesota Life has agreed in writing to renew the contract for 2012 with the same premium rate for the Life and Accidental Death & Dismemberment coverage for District employees. The total cost to the District for 2011 is expected to be \$625,000. The funding source is the insurance funds provided by the Board.

Because of staff, time and budget issues, I am requesting an additional one year extension for Minnesota Life. I have discussed this with Olga Swinson, Chief Finance Officer, and she agrees with this recommendation.

Please request permission from the Board to approve this extension. If you have any questions or need any additional information, please call me. As always, I appreciate the assistance that I have received from you and your staff during this process.

**MINNESOTA LIFE INSURANCE COMPANY
RATE CONFIRMATION**

1. Policyholder: District School Board of Pasco County
2. Policy Number(s): 33290
3. Insurance Product(s): Basic Term Life and AD&D, Supplemental Term Life
4. The insurance rates included in this rate confirmation are net of commissions
5. Rate Coverage Period: January 1, 2012 – December 31, 2012

Premium Rates:

Basic Life - Actives: \$.149 / \$1,000 / month

Basic Life - Retirees: \$1.490 / \$1,000 / month

Basic AD&D: \$.018 / \$1,000 / month

Supplemental & Spouse Life:

<u>Age</u>		<u>Rate / \$1,000 / Month</u>
Under 25	\$	0.060
25-29	\$	0.050
30-34	\$	0.060
35-39	\$	0.090
40-44	\$	0.140
45-49	\$	0.230
50-54	\$	0.350
55-59	\$	0.520
60-64	\$	0.740
65-69	\$	1.230
70-74	\$	2.200
75+	\$	4.490

Child Life: \$.131 / \$1,000 / month

MINNESOTA LIFE INSURANCE COMPANY

By _____
Brian Anderson

Date _____

Title 2nd Vice President

ACKNOWLEDGEMENT BY AUTHORIZED REPRESENTATIVE OF POLICYHOLDER

This document confirms that the rates stated above are the agreed upon rates for the specified policy numbers. These rates will be charged for coverage amounts effective during the Rate Coverage Period listed above. Minnesota Life reserves the right to adjust rates if the insurance volume within a coverage or across coverages changes by 15% or more or other aspects of group composition change materially. Actives and retirees are considered independent coverages. The baseline for calculating the total change

in volume will be the volume provided in April 2011. Rates may also be adjusted if there is a change in plan design or in the definition of an eligible insured.

By _____

Date _____

Title _____



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November 2, 2010

MEMORANDUM

TO: Honorable School Board Members

FROM: Kendra Goodman, CPPO, CPPB, Purchasing Agent 

SUBJECT: RFP 06-049-AZ, Life Insurance
One-Year Extension to Five-Year Agreement
Minnesota Life Insurance Company

On November 3, 2009, official action (attached) was taken to award the above-referenced RFP to Minnesota Life Insurance Company for life insurance (employee basic and supplemental, spouse supplemental, dependent supplemental, accidental death and dismemberment, and retiree life insurance). This RFP is a five-year contract, renewable annually by mutual consent of the parties. The fifth year of the contract is due to expire on December 31, 2010.

Ms. Mary Tillman, Director of Employee Benefits, Assistance & Risk Management, is requesting a one (1)-year extension to the existing contract. Per the terms of the original RFP, we are permitted to take this action, should it be in the best interest of the Board to do so. Minnesota Life has agreed in writing (attached) to the term extension, holding the same premium rate for the life and accidental death and dismemberment coverage for District employees. Please see the attached memo from Ms. Tillman for detailed information.

The cost to the Board in 2011 is estimated to be \$625,000, and will be paid out of insurance funding provided by the Board. At this time it is my recommendation to enter into this one (1)-year extension of the agreement with Minnesota Life. The contract period will be January 1, 2011 – December 31, 2011. Should you have any questions concerning this matter, please feel free to contact Mary Tillman or me at your earliest convenience.

KDG/az

Attachments

District School Board
of Pasco County

NOV 02 2010

Board Approved