

Purchasing Summary

EVENT # 9593	TITLE: Employee Vision Plan Benefits	COST: \$134,370
TYPE OF PROCUREMENT: Bid	ANNUAL CONTRACT <input checked="" type="checkbox"/> ANNUAL MAINTENANCE AGREEMENT <input type="checkbox"/>	ONE TIME PURCHASE <input type="checkbox"/>
CONTRACT TERM (IF APPLICABLE) Contract term expires on October 12, 2023		
S/DBE (IF APPLICABLE) N/A		
MATRIX (IF APPLICABLE) N/A		

NOTES

This is to award an annual contract for Employee Vision Plan Benefits to The Standard Insurance Company in the amount of \$134,370. The City of Savannah makes available to eligible employees and dependents access to voluntary vision insurance coverage. Due to network issues with the current vision carrier, the Office of Human Resources requested USI market the vision coverage.

The estimated premium is to be paid 100% by those members who are enrolled in the insurance coverage. There is no cost to the city for this service. The policy will be effective from January 1, 2023, through December 31, 2023. The contract offers a 2-year rate guarantee. The rates for members will decrease by an average of 9%. The difference in rates are listed below:

Current Carrier Rates (Weekly): NVA		New Recommended Carrier Rates (Weekly): The Standard	
Vision Plan		Vision Plan	
Emp Only	\$1.17	Emp Only	\$1.10
EE+1	\$2.10	EE+1	\$1.92
Family	\$3.03	Family	\$2.69
Current Carrier Rates (Biweekly): NVA		New Recommended Carrier Rates (Biweekly): The Standard	
Vision Plan		Vision Plan	
Emp Only	\$2.33	Emp Only	\$2.19
EE+1	\$4.20	EE+1	\$3.83
Family	\$6.06	Family	\$5.39

The Standard will provide a \$5,000 credit for implementation, lower the LTD rates (paid by the City) by 5% resulting in \$12,500 in cost savings, and extend the rate guarantees for life insurance and LTD until 01/01/2025.

USI marketed to eight dental carriers requesting a match of current benefits. Two carriers declined to quote as not competitive, and one carrier did not respond. The two most competitive quotes were from the Guardian and The Standard. (See attached marketing results).

Recommendation: Award the Standard/VSP as the vision carrier for the City of Savannah. The Standard presented with the lowest rates for the vision plans (9% cost savings for plan members), similar plan coverages as the current provider with access to a better network such as the Georgia Eye Institute, cost reduction to the City of Savannah for LTD, and limited disruption in network service to current members.

L.B.	The Standard Insurance Company (1100 Southwest Sixth Avenue, Portland, OR 97204) ^(D)	\$134,370
	Guardian Life Insurance Company of America (10 Hudson Yards, New York, NY 10001) ^(D)	\$138,084
	United Concordia Companies, Inc. (1800 Center Street, Camp Hill, PA 17011) ^(D)	\$147,704

Unum Group (1 Fountain Square, Chattanooga, TN 37402)^(D) \$132,999 (not adequate coverage)
Lincoln Financial Group (150 North Radnor Chester Road, Radnor, PA 19087)^(D) \$207,064
Mutual of Omaha (3300 Mutual of Omaha Plaza, Omaha, NE 68175)^(D) Declined
Sun Life (One Sun Life Park Wellesley Hills, MA 02481)^(D) Declined

(D) Indicates non-local, non-DBE business. Recommend approval.

Local available: No

Total sent: 7

Total received: 2

Vendor federally debarred/suspended: No