

**APPROVE ENTERING INTO AN AGREEMENT WITH COMPBENEFITS CORPORATION  
FOR DENTAL MAINTENANCE ORGANIZATION AND ADMINISTRATIVE SERVICES**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into an agreement with CompBenefits Corporation to provide a dental maintenance organization on behalf of Chicago Public School employees, at a cost not to exceed \$15,000,000.00 for a 30 month period. CompBenefits Corporation was selected on a competitive basis pursuant to a duly advertised Request for Proposal (Specification No. 03-250290). CompBenefits has been rendering these services to the Board for the past 8 years. A written agreement is currently being negotiated. No payment shall be made to vendor prior to the execution of the written agreement. The authority granted herein shall automatically rescind in the event a written agreement is not executed within 120 days of the date of this Board Report. Information pertinent to this agreement is stated below.

**Specification No.: 03-250290**

**Contact Administrator: Gilber Rabin (773) 553-2297**

**VENDOR:** CompBenefits Corporation  
Phyllis A. Klock, FLMI  
President & Chief Operating Officer  
200 W. Jackson, 9<sup>th</sup> Floor  
Chicago, Illinois 60606  
(312) 261-6212  
Vendor No. 29404

**USER:** Bureau of Risk and Benefits Management  
125 South Clark – 14<sup>th</sup> Floor  
Chicago, IL 60603  
Georgette Hampton, Director  
(773) 553-2818

**TERM:** The term of this agreement shall commence on July 1, 2004 and shall end December 31, 2006. This agreement shall have (2) two options to renew for 12 months each.

**SCOPE OF SERVICES:** CompBenefits Corporation will provide a dental maintenance organization (DMO) (including all administrative, utilization review and dental services) for employees and their dependents who elect to participate in the dental insurance program. CompBenefits DMO network includes dentists, specialists, and other licensed dental care professionals who will provide services to employees and their dependents in offices throughout the Chicago area.

**DELIVERABLES:** CompBenefits will provide all necessary tasks to properly administer the DMO programs, send communications, brochures, pamphlets and materials to the Board employees, respond to telephone inquiries and direct employees to appropriate use of managed care dental benefits and services, provide management reports to ensure that all services are rendered in a prompt and fair manner to all eligible employees and their dependents, and ensure that all claims are accurately processed according to the contract.

**OUTCOMES:** CompBenefits services will result in an efficient and successful dental maintenance organization.

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the agreement. Authorize the President and the Secretary to execute the agreement. Authorize the Director of Risk and Benefits Management to execute all ancillary documents required to administer or effectuate this agreement.

**COMPENSATION:** CompBenefits shall be paid a fixed rate per member, per month, not to exceed \$6,000,000.00 a year; total not to exceed \$15,000,000.00 for the 30 month term.

**AFFIRMATIVE ACTION:** This contract is in full compliance with goals required by the Revised Remedial Plan for Minority and Women Business Enterprise Contract Participation (M/WBE Plan). The M/WBE participation goals for the contract include: 35%total MBE, 22% total African American, 10% total Hispanic 2% Asian and 5% WBE.

The vendor has identified and scheduled the following Independent Consultants and percentages:

**Total African American 23%**

Herman Taylor \$15,942  
Horace Bray \$6,298  
Albert Newman \$26,585  
Carl Cheeks \$ 2,345  
Deborah Montgomery \$30,408  
Marin Brinker \$1,129  
Mark Robinson \$19,938  
Alicia Franklin \$25,151  
Beverly Haaley \$6,602  
Raymond Pierce \$14,378  
MP Palm \$9,078  
Marcus Wright \$74,152  
Kevin G ivens \$19,982  
Rufus Lawshea \$33,666

**Total Asian 2%**

Jack Li \$521  
Bruce Chin \$7,471  
C G Rammohan \$14,465  
William Li \$286,284  
David Yu \$825  
Anthony Young \$18,982  
Edward Cho \$5,560  
Momerto Villamonte \$477  
Victor Lau \$2,867

**Total Hispanic10%**

Bharat Sheth \$30,712  
Alan Villanueva \$13,640.

**Total WBE 5%**

Mary Cavitt \$5212  
Nana Nakib \$11,685  
Olga Leahy \$2,128  
Fatema Vohra \$ 2606  
Lisa Cagle \$521  
Mary Starsiak \$ 3,388  
Tonnie Young \$6,820  
Sonal Gandri \$1,563  
Tayseer Ibrahim \$173

**LSC REVIEW:** Local School Council approval is not applicable to this report

**FINANCIAL:** Charge \$6,000,000.00 Fiscal year 2005  
Charge \$6,000,000.00 Fiscal year 2006  
Charge \$3,000,000.00 Fiscal year 2007

Budget Classification: Charge to sundry units, all operating funds, sundry programs, hospital insurance (object 5680)

**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.

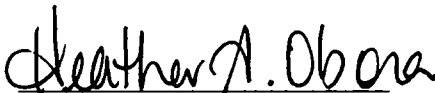
**Indebtedness –** The Board's Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

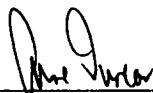
**Ethics –** The Board's Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

**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:**

**Approved:**

  
Heather A. Obora  
Chief Purchasing Officer

  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
John Malorca  
Chief Financial Officer

**Approved as to legal form:** 

  
Ruth Moscovitch  
General Counsel