

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT WITH
COGHLAN KUKANKOS LLC, FORMERLY KNOWN AS COGHLAN KUKANKOS COOK
LAW OFFICES, TO PROVIDE SUBROGATION CLAIMS MANAGEMENT SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the option to renew the agreement with Coghlan Kukankos LLC, formally known as Coghlan Kukankos Cook Law Offices (CKC), to provide Subrogation Claims Management Services for the Board's self-funded medical insurance plan (Plan). Consultant will be paid on a contingency fee basis. A written document exercising this option is currently being negotiated. No payment shall be made to Consultant during the option period prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within 90 days of the date of this Board Report. Information pertinent to this option is stated below.

Specification Number : 06-250036

Contract Administrator : Patricia Hernandez / 773-553-2256

VENDOR:

Vendor # 24950
Coghlan Kukankos Llc
161 North Clark Street., Suite 1325
Chicago, Il 60601
Barbara Coghlan
-

USER:

Office of Human Resources - Operations
125 S Clark St - 2nd Floor
Chicago, IL 60603

Contact : Dale Moyer, Director

Phone: 773-553-2818

ORIGINAL AGREEMENT:

The original Agreement (authorized by Board Report 06-1115-PR22) is for a term commencing January 1, 2007 and ending December 31, 2009 with the Board having two options to renew for one year terms. The original agreement was awarded on a competitive basis pursuant to Board Rule 5-4.1.

OPTION PERIOD:

The term of this agreement is being extended for one year commencing January 1, 2010 and ending December 31, 2010.

OPTION PERIODS REMAINING:

There is one option period for one year remaining.

SCOPE OF SERVICES:

Consultant will continue to provide the following services:

Provide open and close status on all injury claim files.

Evaluate the subrogation potential of each claim based upon information that is available from police reports, the statements of Covered Persons and witnesses, hospital records, insurance company claim files or other information.

Provide in writing a determination as to whether the Plan has a viable and cost effective right to recover subrogation with respect to each injury claim.

Make demands that responsible third parties or their insurers or other persons who may be obligated to provide injury-related benefit coverage that is primary to that which is provided by the Plan.

Defend benefit actions brought against the Plan and/or shall commence or monitor or intervene in litigation on behalf of a designated Covered Person, or the Plan.

Negotiate with third parties and insurers or other responsible persons as part of its efforts to effect settlement of injury claims as authorized by the Plan.

Collect subrogation-related payments due to Plan; report and remit such payments to the Board's representative pursuant to procedures authorized by the Board.

Provide services necessary to supervise and support counsel retained to defend subrogation-related actions brought against the Plan Covered Persons who reside in areas where Consultant does not practice.

DELIVERABLES:

Consultant will continue to provide monthly and annual reports indicating names, dates of services and medical providers for which reimbursement has been received. Consultant shall maintain a database so trends can be established to determine vendors' claim payment patterns to determine if they are acceptable according to the Board of Education's standards.

OUTCOMES:

Consultant's services will result in an efficient cost-effective Subrogation Claims Management Program aligned with the Board's self-funded medical plan.

COMPENSATION:

Consultant shall be paid a contingency fee in the amount of 33.33% of the gross recoveries or savings from the Plan from an injury claim, which gross recovery was realized by the Plan after the assignment of the injury claim to Consultant.

AUTHORIZATION:

Authorize the General Counsel to include other relevant terms and conditions in the written option document. Authorize the President and Secretary to execute the option document. Authorize the Acting Director of Human Resources Operations to execute all ancillary documents required to administer or effectuate this option agreement.

AFFIRMATIVE ACTION:

The M/WBE goals for this contract includes: 35% total MBE, and 5% total WBE.

However, the Waiver Review Committee recommends that a partial waiver of the M/WBE participation goals for this contract as required by the Revised Remedial Plan be granted because the contract scope is not further divisible.

The vendor however has identified and scheduled the following firms and percentages:

Total MBE	3.25%
Altavista Graphics 3435 N. Kimball Chicago, IL 60618	
Total WBE	10.73%
Arrow Messenger Services	.23%
1322 W. Walton Chicago, IL 60622	
Hallagan Office Supplies	7.5%
6854 W. North Ave Chicago, IL 60606	
Data Media Productions	3.0%
1946 Lehigh Ave Glenview, IL 60025	

LSC REVIEW:

Local School Council approval is not applicable to this report.

FINANCIAL:

Fiscal Year: 2010

Charge to sundry units, all operating funds, sundry programs, hospital insurance (object 57305).

Subrogation collections will be deposited to the appropriate health care budget lines so that health care costs can be reduced.

CFDA# : Not Applicable

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.

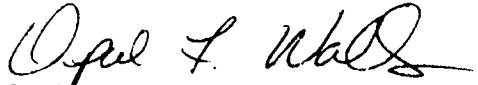
Conflicts - The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one year period following expiration or other termination of their terms of office.

Indebtedness - The Board's Indebtedness Policy adopted June 26, 1996 (96-0626-PO3), as amended from time to time, shall be incorporated into and made a part of the agreement.

Ethics - The Board's Ethics Code adopted June 23, 2004 (04-0623-PO4), 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:


Opal L. Walls
Chief Purchasing Officer

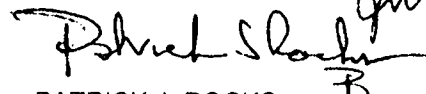
Within Appropriation:


CHRISTINA HERZOG
ACTING CHIEF FINANCIAL OFFICER

Approved:


Ron Huberman
Chief Executive Officer

Approved as to Legal Form:


PATRICK J. ROCKS
General Counsel