

GLENBROOK HIGH SCHOOLS
Office of the Assistant Superintendent for Business Affairs
Regular Meeting Monday, October 28, 2013

TO: Dr. Michael Riggle

FROM: Hillarie Siena

DATE: October 28, 2013

RE: Discussion/Action: Insurance Broker Renewal

Corporate Benefits Consultants (CBC) has been the District's insurance broker/consultant since 2003. Prior to this date, Glenbrook worked with a consultant from Gallagher Benefit Services. Historically, the District has engaged in a three-year contract cycle with CBC, based upon a flat rate for all services rendered. This fee has not changed since the inception of the initial contract in 2003. All insurance renewal rates are bid with zero commissions. Please refer to the attached Agreement for Consulting Services for a full scope of services.

As outlined in Appendix A of the Agreement, CBC provides daily support to administration and serves as the District's first point of contact for employee issues. In light of ongoing mandates relative to the Affordable Care Act (the "Act") of 2010, the scope of consulting services has expanded to include all reporting and compliance requirements under the Act. CBC also serves as the individual broker for each member district that participates in the SSCRMP insurance cooperative, of which, Glenbrook is a member. As such, it is important for the cooperative districts to maintain consistency with respect to broker/consulting services.

The current contract with CBC expires on December 31, 2013. The attached Agreement for Consulting Services contains a three-year proposal, with an option to extend for two additional years however, the Board maintains discretion to approve a lesser term. The Agreement contains a proposed fee increase of \$1,000 for the first year, \$0 for the second year, and \$1,000 for the third year. Should the extension option be executed, the annual fee will be extended with no additional increase. The proposed fees outlined in the Agreement are reasonable and consistent with fees paid by other school districts who utilize the services of an independent broker/consultant.

CBC provides an outstanding level of professional service and value to District 225, and has served the District with the highest level of professional knowledge and expertise. CBC has established a very good working relationship with Glenbrook administration and staff, which is crucial to successful negotiations and cost containment initiatives. I strongly recommend approval of the Agreement for Consulting Services as presented.

AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT is made **January 1, 2014** (hereinafter referred to as the “Effective Date”), by and between **CORPORATE BENEFIT CONSULTANTS, INC.** (hereinafter referred to as “Consultant”), and **GLENBROOK HIGH SCHOOL DISTRICT #225**, COOK COUNTY, ILLINOIS (hereinafter referred to as the (“*Client or Board*”)), as follows:

1. Services. Consultant agrees to provide the employee benefit consulting services described herein and specified more fully in Appendix A hereto (the “Services”) under the direction of the (*Client or Board*)’s designee, the Assistant Superintendent for Business Affairs, both in Consultant’s own offices and at designated locations within the School District, beginning on **January 1, 2014** and continuing through **December 31, 2016**, unless earlier terminated as provided herein. The Consultant will offer a two year option to extend this contract to **December 31, 2018**. The Consultant will guarantee their fee at the level of the third year (\$57,700) of the contract.

2. Compensation. For all Services satisfactorily rendered by Consultant during the term of this Agreement, the (Client or Board) shall pay Consultant **\$56,700** annually during the first year of this Agreement and **\$56,700** annually during the second year of the Agreement, and **\$57,700** during the third year of this Agreement as extended through **December 31, 2016**; such sums to include Consultant costs, if any, for telephone communications, postage, travel expenses and other expenses incurred by Consultant in connection with the provision of the Services. The (“*Client or Board*”) shall pay Consultant the agreed-upon compensation in four equal installments at quarterly intervals following Consultant’s provision of the Services and submission of a proper invoice to the (Client or Board) documenting Consultant’s rendering of the Services. Consultant shall be responsible for payment of all state and federal taxes in connection with its performance of the Services and receipt of compensation under this Agreement.

3. Relationship Between The Parties. Consultant is retained by the (Client or Board) only for purposes and to the extent set forth in this Agreement, and nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties. Consultant shall be deemed at all times to be an independent

contractor and neither party shall have the authority to bind the other to any third person or to otherwise act in any way as the representative of the other, unless otherwise expressly agreed to in writing and signed by both parties hereto.

4. Access. Consultant shall have access only to such facilities, equipment and personnel of the School District which are necessary for the performance of any Services hereunder and only upon the permission of the (Client or Board) or its designee.

5. Indemnification. Consultant does hereby indemnify and hold harmless the Board, its members, employees and agents from and against all claims, including reasonable attorney's fees, arising out of or in any way connected with the Consultant's performance or non-performance of any services hereunder.

6. Insurance. Consultant shall insure against all losses and damages which are the result of, the fault or negligence of Consultant in the carrying out of the Services including professional liability and automobile liability. Consultant will, if requested, produce a certificate of insurance showing that the necessary coverages are currently in force, and will also give the (Client or Board) thirty (30) days written notice before the required insurance can be altered or cancelled.

7. Notice. Any notice or communication permitted or required under this Agreement shall be in writing and shall become effective on the day of mailing thereof by first class mail, registered or certified mail, postage prepaid, addressed:

If to the (Client or Board) to:

Glenbrook High School District 225
3801 W. Lake Ave. Suite 301
Glenview, IL 60026

Attention: Assistant Superintendent for Business Affairs

If to the Consultant to:

Corporate Benefit Consultants, Inc.
2800 S. River Rd., Suite 400
Des Plaines, IL 60018

8. Governing Law. This Agreement shall be governed by the laws of the State of Illinois and any court proceeding filed by the (Client or Board) or Consultant relating to or based on this Agreement shall be filed in the Circuit Court of Cook County, Illinois.

9. Termination. This Agreement may be terminated at any time, for any reason, by mutual agreement of the parties or by giving sixty (60) days written notice to the other party. In the event of such termination by the (Client or Board), Consultant shall be paid its applicable compensation through the effective date of termination.

10. Entire Understanding. This Agreement contains all the terms agreed upon by the parties with respect to the subject matter of this Agreement and supersedes all prior agreements, arrangements and communications between the parties concerning such subject matter, whether oral or written. Except as otherwise provided, no subsequent alteration, amendment, change or addition to this Agreement shall be binding upon the parties hereto unless reduced to writing and duly authorized and signed by each of them.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the day and year first written above.

CORPORATE BENEFIT
CONSULTANTS, INC.

GLENBROOK HIGH SCHOOL
DISTRICT NO. 225,
COOK COUNTY, ILLINOIS

By: _____

By: _____

Its _____

Its _____

Date: _____

Date: _____

APPENDIX A

CONSULTING SERVICES

Consultant (CBC) will provide the following services related to the Board's (GHSD 225) Employee Benefit Plan, *including but not limited to*:

- Serve as GHSD 225 advisor on all health related issues;
- Provide day-to-day health plan administration;
- Provide analysis or renewal terms offered by current insurers and service providers;
- During the initial term, investigate all viable programs, insurers, and service providers, FSA's, HSA's, HRA's, etc. and provide through cost benefit analysis report of each option, including recommend improvements in the self-insurance and HMO plans;
- As requested by GHSD 225, evaluate alternative health plan providers;
- Act as an advocate on behalf of GHSD 225 to resolve administrative problems on a timely basis;
- Act as an advocate on behalf of GHSD 225 to resolve all claim disputes;
- Conduct open employee enrollment meetings as needed;
- Provide employee education meetings as necessary;
- Provide information on market trends periodically including recommendations on plan changes;
- Provide information and advice regarding state or federal legislation applicable to GHSD 225 life, health, dental and disability plans;
- Provide a monthly newsletter to HR staff;
- Provide special reports as requested by GHSD 225;
- Provide monthly and annual performance reports including experience analysis;
- Provide initial analysis of the current plan including areas of potential cost savings to GHSD 225;
- Annually provide future (5 years) funding projections;
- Coordinate timely premiums by TPA's and Stop Loss Insurers;
- Recommend cost containment strategies and perform cost benefit analysis options;
- Provide oversight of GHSD 225's benefit communication process;

- Assist in establishing funding rates/employee rates for each plan year;
- Provide access to Employee Benefit Center, Employee Resource Center, HRinsider Communication portal;
- Broker and place stop loss insurance and other health related insurance policies;
- Attend District meetings, insurance committee meetings and Board meetings as necessary;
- Assist in the development of Wellness programs;
- Oversee FSA Management;
- Work with existing administrator to improve reports to District;
- Analyze work flows to determine ways GHSD 225 can reduce staff work loads related to health administration;
- Continually search for cost reduction strategies and present to GHSD 225 staff;
- Insurance accuracy of all plan booklets and related documents;
- Provide services related to compliance matters such as HIPAA and Medicare Part D;
- Provide other assistance and advice as needed;
- Provide ongoing assistance and guidance as it pertains to Compliance issues under the Affordable Care Act of 2010.