

RESOLUTION NO. _____

APPROVAL OF CONTRACT WITH OCHS, INC., A SECURIAN FINANCIAL COMPANY TO PROVIDE LONG TERM DISABILITY, GROUP TERM LIFE AND ACCIDENTAL DEATH & DISMEMBERMENT COVERAGES TO LMHA FULL-TIME, NON-UNION EMPLOYEES

Item No. 5C

WHEREAS; the Louisville Metro Housing Authority currently provides Long Term Disability (LTD), Group Term Life and Accidental Death & Dismemberment (AD&D) coverages to its full-time, non-union employees through The Lincoln Financial Group (Lincoln); and

WHEREAS; the coverage provided by Lincoln expires June 1, 2024; and

WHEREAS; the procurement provisions for the Lincoln contract provides for a one-year contract with four subsequent annual one-year renewal options without additional procurement; renewal of the contract for the 2023-2024 plan year represented the fourth and final of the four one-year renewal options; and

WHEREAS; a Request for Proposal was issued to provide the coverages. Plan specifications were advertised and proposals to provide LTD, Group Term Life and AD&D coverages were received on March 5, 2024, from the Principal Life Insurance Company submitted through Assured Partners Insurance Systems and Ochs, Inc., A Securian Financial Company (Ochs, Inc.); and

WHEREAS; the proposal submitted by Ochs, Inc. was determined to be the lowest responsive bidder; and

WHEREAS; the procurement provisions for the Ochs, Inc. contract provides for a one-year contract with four subsequent annual one-year renewal options without additional procurement; and

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WHEREAS; funding for this contract will be factored into the FY 2024 and FY 2025 operating budgets.

NOW, THEREFORE, BE IT RESOLVED BY THE LOUISVILLE METRO HOUSING AUTHORITY BOARD OF COMMISSIONERS that the Executive Director and Contracting Officer, Elizabeth Strojan, is hereby authorized to enter into a contract with Ochs, Inc., a Securian Financial Company, to provide Long Term Disability, Group Term Life and Accidental Death and Dismemberment insurance coverages to Louisville Metro Housing Authority full-time, non-union employees for the period of June 1, 2024 through May 31, 2025 for an annual amount of approximately \$88,788.78 (based on employee enrollments).

RESOLUTION BACKGROUND STATEMENT

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I. STATEMENT OF FACTS:

Long Term Disability (LTD), Group Term Life and Accidental Death and Dismemberment (AD&D) insurance coverage is currently provided to all full-time, non-union Louisville Metro Housing Authority (LMHA) employees through the Lincoln Financial Group (Lincoln). The coverage is renewed on June 1st of each year. The current contract will expire June 1, 2024.

The procurement provisions for the Lincoln contract provide for a one-year contract with four subsequent annual one-year renewal options without additional procurement. Renewal of the contract for the 2023-2024 plan year represented the fourth and final of the four one-year renewal options.

In February 2024, the Louisville Metro Housing Authority released a Request for Proposal for the procurement of Long-Term Disability, Group Term Life and Accidental Death & Dismemberment insurance coverage. As a result of the procurement process, proposals to provide the coverage was received from the following companies:

- **Ochs, Inc., A Securian Financial Company;**
- **The Principal Life Insurance Company** through Assured Partners Insurance Systems.

The proposal from Ochs, Inc. was determined to be the lowest, most responsive bidder. The proposals that were submitted are presented below:

	LTD Per \$100 of benefit	Term Life Per \$1,000 per benefit	AD&D Per \$1,000 per benefit
Ochs, Inc., A Securian Financial Company <i>*Offers 3-year rate guarantee</i>	.44	.200	.020
The Principal Life Insurance Company submitted by Assured Partners <i>*Offers 2-year rate guarantee</i>	.47	.244	.027

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II. ALTERNATIVES:

- A. Approve the contract with Ochs, Inc. to provide Long Term Disability, Group Term Life and Accidental Death and Dismemberment coverages to LMHA full-time, non-union employees.
- B. No other alternatives considered.

III. RECOMMENDATION:

Staff recommends Alternative "A."

IV. JUSTIFICATION:

- The proposal submitted by Ochs, Inc. provided the lowest responsive bid to provide LTD, Group Term Life and AD&D coverages to LMHA full-time, non-union employees.
- Ochs, Inc. does not use subcontractors for these services; therefore, MBE participation goals do not apply.
- The coverage currently provided by the Lincoln Financial Group expires June 1, 2024. LMHA must implement the necessary steps required to assure there is no interruption in coverage for its employees.

V. BUDGET APPROVAL:

Funding for this contract will be factored into the FY 2024 and FY 2025 operating budgets.

Jeffrey Ralph, Director of Finance

Date

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VI. PROCUREMENT CERTIFICATION:

The procurement of this contract is in compliance with the Louisville Metro Housing Authority Policy and Procedures.

Steve Webb, Purchasing Agent

Date

Submitted By: Joyce A. Babb
Director of Human Resources
May 21, 2024