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HOUSE RESOLUTION

WHEREAS, The Department of Central Management Services (CMS) published a request for proposals (RFP) on November 4, 2015 to procure a "custom benefit solution" or online health portal for eligible members in the State's Employees Group Insurance Program, the Teachers' Retirement Insurance Program, the College Insurance Program, and the Local Government Health Plan; and

WHEREAS, The RFP did not include a business enterprise goal; and

WHEREAS, A vendor conference held on November 12, 2015 was attended by multiple potential bidders and the State's procurement consultant, Deloitte Consulting; and

WHEREAS, Only one company submitted a proposal in response to the RFP by the due date of November 30, 2015; and

WHEREAS, On January 28, 2016, CMS published a notice identifying the winning vendor as Morneau Shepell Limited and estimating the total contract value, over a 10-year term, at \$94 million; and

WHEREAS, The contract was approved by the CMS Director on

1 May 3, 2016, with an effective date of May 3, 2016; and

2 WHEREAS, The contract contains Performance Standard  
3 Guarantees that set forth performance measures that the vendor  
4 must comply with or risk reductions in administrative fees;  
5 therefore, be it

6 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE  
7 HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that the  
8 Auditor General is directed to conduct a performance audit of  
9 the procurement and administration of the contract with Morneau  
10 Shepell; and be it further

11 RESOLVED, That this performance audit include, but not be  
12 limited to, the following determinations:

13 (1) Whether the scope of the Request for Proposals that  
14 was issued in November 2015 was adequate to meet the  
15 State's needs and written in a manner to allow adequate  
16 competition on this multi-million dollar initiative;

17 (2) Whether the time frame for response to the RFP was  
18 adequate to allow for participation by potential vendors;

19 (3) The rationale for not including a business  
20 enterprise goal in the solicitation;

1           (4) The rationale for awarding the contract to Morneau  
2           Shepell rather than re-issuing the RFP in an attempt to  
3           obtain adequate competition;

4           (5) The cost of the procurement, including amounts paid  
5           to the State's procurement consultant;

6           (6) Whether CMS has reviewed the vendor's compliance  
7           with the Performance Standard Guarantees and, in  
8           particular, the standards applicable to the accuracy of  
9           participant transactions; and

10          (7) Whether there have been any reductions in the  
11          vendor's administrative fee as a result of any failure to  
12          meet Performance Standard Guarantees; and be it further

13          RESOLVED, That the Department of Central Management  
14          Services, the vendor, its subcontractor(s), and any other  
15          entity having information relevant to this audit cooperate  
16          fully and promptly with the Auditor General's Office in the  
17          conduct of this audit; and be it further

18          RESOLVED, That the Auditor General commence this audit as  
19          soon as possible and report its findings and recommendations  
20          upon completion in accordance with the provisions of Section

1 3-14 of the Illinois State Auditing Act.