Contract Overview	
Contract Type	New Sole Source Contract
Contract Title	Medicare Advantage Plan
Method of Procurement	Sole Source The Office of Benefit Services (OBS) was actively engaged in the development and administration of the Request for Proposal (RFP) for Medical, Vision, and Pharmacy Benefits Management services, which has now been completed and awarded. Medicare Advantage was not included in the 2025 Medical Plan RFP, as that solicitation applied exclusively to self-insured offerings (medical, vision, pharmacy benefits and spending accounts). The distinction of the Medicare Advantage program from self-insured plans warrants a separate competitive procurement. Due to the scope, timing, and resource demands of that procurement effort, OBS was unable to issue a concurrent RFP for the administration of the Medicare Advantage Plan. Without a contract in place, FCPS faces significant risk related to continuity of care and financial exposure for Medicare-eligible retirees and their dependents. To avoid disruption in services and ensure uninterrupted benefits, a two-year sole source contract for Medicare Advantage services is recommended. This approach provides a necessary bridge period during which a formal competitive procurement will be conducted. At present, Aetna Life Insurance Company is the only supplier capable of meeting FCPS' Medicare Advantage program requirements. The specialized regulatory environment, operational structure of Medicare Advantage plans, and time constraints prevent a competitive process at this time without compromising continuity of care. A dedicated RFP for Medicare Advantage is planned to be released in late 2026, with the goal of awarding a new contract prior to the expiration of the proposed sole source contract.
Contract #	4400014137
Vendor Name	Aetna Life Insurance Company

Contract Summary	
Description of Services	The Contractor administers the Medicare Advantage Plan which provides fully-insured medical and vision insurance benefits for Medicare-eligible FCPS retirees and their dependents.
Contract Start Date	April 1, 2026
Contract End Date	December 31, 2027

Initial Term of Contract	Two (2) Years
Contract Renewals	0
Total Contract Value	$35,723,688
Annual Value	$17,861,844
Funding Source	Health and Flexible Benefits
Pricing Structure	Firm fixed administrative fee per member per year
Contract Terms	FCPS standard contract terms apply, with negotiated revisions to several administrative, legal and compliance related provisions.

Strategic Alignment	
Sponsor	Leigh Burden, chief financial officer
Strategic Plan Goal	☐ Goal 1 - Strong Start: PreK-12 ☑ Goal 2 - Safe, Supported, Included, and Empowered ☐ Goal 3 - Academic Growth and Excellence ☐ Goal 4 - Equitable Access and Opportunity ☐ Goal 5 - Leading for Tomorrow's Innovation
Department	Office of Benefit Services
Description of Need	FCPS needs to contract with a specialized third-party vendor to manage the comprehensive administration of its Medicare Advantage (MA) plan offered to Medicare-eligible retirees.
Background Information	FCPS currently offers a Medicare Advantage Plan to Medicare-eligible retirees and their dependents as part of its comprehensive employee benefits program. The current contract with Aetna will expire on March 31, 2026 with no renewal options.

Prior Contract Information	
Method of Procurement	RFP
Vendor	Aetna Life Insurance Company
Annual Spend	$20,329,252

Compliance and Reviews			
Cybersecurity Review	☑ Yes	☐ No	☐ Not applicable
IT Review	☑ Yes	☐ No	☐ Not applicable
Legal Review	☑ Yes	☐ No	☐ Not applicable
Risk Management Review	☐ Yes	☐ No	☑ Not applicable