PA 106 Compliance Notice

Lenawee County Insurance Consortium (LCIC)

October 21, 2026

Background Information

The Consortium Agreements establishes the Lenawee County Insurance Consortium (LCIC) as a separate legal entity and authorizes its members to collectively procure employee health benefits and related services to increase purchasing power and efficiency and reduce costs. The Agreement directs the Consortium, through its Governing Board, to solicit quotations in accordance with the Public Employees Health Benefit Act (PEHBA), in LCIC's name and expressly on behalf of each member. It designates the Lenawee Intermediate School District (LISD) as Fiscal Agent.

The Consortium Agreement calls for at least four bids from different carriers for each designated service, including at least one solicitation to a qualifying voluntary employees' beneficiary association (VEBA). MCL 124.75(2) likewise requires solicitation of at least four bids from different carriers for medical coverage, including at least one VEBA bid. The LCIC RFP sought proposals from at least four carriers and expressly invited qualifying VEBAs.

LCIC Request for Proposals

LISD issued and publicly posted a request for proposals (RFP) on September 25, 2026, with proposals due by 11:00 a.m. on October 16, 2026. The RFP covered medical and prescription drug, dental, vision, long-term disability, and life coverage and related services. It used common specifications, a fixed deadline, a written question and addendum process, and requested both Consortium-wide and member-specific pricing.

The RFP provided for evaluation under stated criteria for best overall value; selection was not limited to the lowest-priced proposal. Solicitation and receipt of proposals did not obligate LCIC or any member to purchase coverage.

LCIC Request for Proposals Responses

LCIC received one written response to the RFP, from Health Alliance Plan (HAP). HAP stated that it received the RFP through BidNet on October 11 and that the remaining timeline was too compressed for it to prepare a considered proposal and allow time for a decision, member education, and enrollment for a January 1, 2027 effective date. HAP asked to be considered for a January 1, 2028 effective date. Separately, LCIC also received quotes from MESSA.

Under the Consortium Agreements, each member retains the right to decide locally which services to procure, and a final commitment to participate requires that member's Board of Education approval. Participation also remains subject to applicable collective bargaining obligations and execution of definitive contracts.

Authorities: Public Employees Health Benefit Act, 2007 PA 106, § 5(2), MCL 124.75(2); Consortium Agreement §§ 1.2–1.4, 2.2–2.4, 6.8. View PA 106