

May 29, 2025

Dear Village Manager Koczwara:

I have reviewed Trustee Healy's request to examine Mayor Dodge's previous employment with Milliman Advanced Analytics. In his request, he seems to question why Mayor Dodge did not reveal his 2018 role at Milliman Advanced Analytics during the Village Board meeting on May 19, 2025, when the staff advised the board on seeking new health insurance proposals.

At the May 19th Board meeting, the Village Board unanimously agreed to pursue health insurance proposals from the Intergovernmental Personnel Benefit Cooperative (IPBC) and the Marsh McLennan Agency (formerly known as the Horton Group). Since no contracts were ratified in that meeting and only the solicitation of proposals was authorized, there was no requirement for Mayor Dodge to disclose his previous employment with Milliman, which is merely one of several consulting entities associated with the IPBC.

I would like to propose that the scope of this discussion be broadened to encompass the following:

1. Did the Village purposely overpay \$3.8 million for Health Insurance?

On November 12, 2024, a Freedom of Information Act (FOIA) request was submitted to the Village pertaining to "all proposals for employee health insurance and property casualty insurance from fiscal year 2018 through fiscal year 2025." In response, the Village extended the deadline for fulfilling the FOIA request to November 26, 2024. However, the Village failed to provide a response by this deadline. Under the Illinois Freedom of Information Act, such a failure to respond is classified as a denial of the request, prompting the requestor to file an appeal with the Illinois Attorney General's Public Access Counselor.

After repeated attempts, the requestor received a subset of records on December 13, 2024 ([here is a link to a Google Drive](#) containing the records that the Village provided). It is alleged that the Village deliberately withheld certain records from the initial disclosure. This apparent lack of transparency raised suspicions, particularly because the original FOIA request pertained to what is typically considered routine information. The requestor began investigating this matter and subsequently filed a Freedom of Information Act request with the Intergovernmental Personnel Benefit Cooperative (IPBC). The findings revealed that the Village of Orland Park had indeed solicited and received an employee health insurance proposal from the IPBC, which was notably absent from the records provided in response to the original FOIA request.

Established in 1979, the Intergovernmental Personnel Benefit Cooperative (IPBC) serves as an intergovernmental agency formed under Illinois statutes. Its primary purpose is to allow units of local government to collaborate for insurance procurement and risk management. The IPBC comprises 162 public member entities and collectively covers over 20,000 employees and retirees across various municipalities, including notable participants such as Lake County, Schaumburg, Hoffman Estates, Mount Prospect, Buffalo Grove, Palatine, and Wheaton.

As an intergovernmental entity operating as a risk pool, the IPBC falls under the jurisdiction of the Illinois FOIA. In this context, the IPBC maintains a commitment to transparency and promptly responded to FOIA requests in a professional manner. For reference [here is a link to the quote](#) received and [here is a link to background](#) regarding IPBC.

Upon comparison of employee insurance offerings, it was identified that the Village of Orland Park experienced a significant disparity in costs. For identical employee insurance coverage through the same insurance carrier, Blue Cross, the Village could have achieved savings of over \$1 million, translating to approximately 25%, during the first year of the 2023 plan year alone. **Extending this pattern over a period of three years indicates that the Village may have willfully overpaid close to \$3.8 million for employee health insurance. This overpayment stems from the Village's decision to retain a brokerage relationship with Horton Insurance, as opposed to pursuing potentially more advantageous options through the IPBC.**

These findings prompt serious questions regarding the decision-making process within the Village and highlight the need for enhanced oversight and transparency in the management of public resources.

This chart calculates the overpayment taking into account [IPBC's average annual increase](#) as well as taking into account the recent Horton annual increases*.

	Horton	IPBC (assuming 3% increase based on IPBC five-year average)	Difference
2023 Plan Year	\$5,374,983	\$4,365,204	\$1,009,779
2024 Plan Year	\$5,855,766	\$4,496,160	\$1,359,606
2025 Plan Year	\$6,057,427	\$4,631,045	\$1,426,382
			\$3,795,767

*For the 2024 Plan Year, the Village Board approved a **17.60% increase** for the employee medical annual premium with Horton Insurance, and for year 2025, the Village Board approved a **6.03% increase** with Horton Insurance.

2023 (plan year) IPBC Proposal ([from IPBC FOIA](#))

2023 (plan year) Horton Contract ([from Village website](#))

2024 (plan year) Horton Contract ([from Village website](#))

2025 (plan year) Horton Contract ([from Village website](#))

After the denial of the original health insurance FOIA, the requestor submitted another information FOIA request. On December 13, 2024, the following request was submitted: “Any and all correspondence between 2018 and 2025, including emails and proposals, to and from the Intergovernmental Personnel Benefit Cooperative.” The Village again denied this request, instead only providing a heavily redacted copy of the proposal from IPBC ([here is a link to the denial response](#) and [here is a link to heavily redacted copy of the IPBC proposal](#)).

Fortunately, due to the IPBC's commitment to transparency, the requestor was able to access unredacted information, affirming the Village's receipt of a formal proposal from the IPBC for employee insurance coverage. This document should have been disclosed in response to the initial FOIA request submitted on November 12, 2024.

In light of the Village's continued denial of a complete disclosure of correspondence, the requestor opted to file another appeal with the Illinois Attorney General's office, seeking further accountability and redress over the Village's handling of public information.

2. Were the Village Board votes to approve the contracts with Horton valid and were there Open Meetings Act violations as part of these votes?

The Healy Investigation would look to verify if the votes to approve the contracts with Horton Insurance are even valid since there is the potential that a majority of the Village Board at the time may have direct and/or indirect conflicts of interest. The Healy Investigation would also review whether the awarding of the health insurance contract to the Horton group in the last three years was done in violation of the Open Meetings Act. If a public official with a conflict of interest participates in a discussion or vote on a matter related to that conflict during a public meeting without properly disclosing it, then it could be considered a violation of the Open Meetings Act, as it would essentially be a private deliberation occurring in a public meeting due to the undisclosed conflict.

What is known for sure is that:

- Former Mayor Keith Pekau was previously given a consulting contract with the Horton Group and as recently as 2021 ([which is the last time he filed a conflict of interest form](#)) had an ongoing business relationship. He led the Village Board deliberations during the approval of the contracts. During the most recent approval, he voted to approve the contract before requesting a revote so he could recuse himself.
- Former Trustee Joni Radaszewski was in a live-in relationship with a Horton executive. No conflict of interest form is on file with the Village. She voted to approve the contract.
- Previous Trustee Brian Riordan, as recently as 2021 ([which is the last time he filed a conflict of interest form](#)), had an ongoing business relationship with Horton. He voted to approve the contract.
- At least one other members of the Village Board may also have a conflict of interest through client relationship. No other conflict of interest forms are on file with the Village.

This could potentially result in a majority (four out of seven) of the Village Board being conflicted, resulting in an invalid vote. Elected officials owe a fiduciary duty to the Village. When acting in their official elected capacity, they must put the Village's interests first, ahead of other loyalties or duties they may owe to other organizations, entities, employers or persons.

3. Why were no updated conflict of interest forms filed with the Village as required by Village Code?

Following disclosure of the Horton deal by Orland Park for All, at the January 20, 2025 Village Board meeting, former Mayor Keith Pekau and the then Village Board admitted to bypassing the low bid by IPBC. This is a serious matter and Orland Park residents have a right to know why their hard-earned tax dollars are being wasted and not being invested in public safety and other improvements that are important to residents.

1. If the contract with Horton Insurance was so good for the Village, why hide it? Why did it take the investigative efforts of Orland Park for All to uncover this sweetheart deal?
2. Why did the Village deny the correspondence records? Who decided not to pursue the IPBC proposal?
3. There are at least a dozen other health insurance brokers in Orland Park. If the concern was to work with an Orland Park business, were these other local businesses offered the chance at being awarded an extra \$3.8 million contract?
4. If government cooperative agreements are not ideal, why does the Village continue to participate in a government cooperative for property casualty insurance [as recommended by Horton Insurance](#)?

4. Was there an attempt to circumvent the requirements of the Illinois Freedom of Information Act because the requested information was damaging?

The Illinois Freedom of Information Act has been a vital part of democracy as it holds government officials accountable by accessing documents collected on the public's behalf. Was FOIA information purposely not disclosed?

5. Based on the results of the Healy Investigation, should the Village's Ethics Ordinance be revised to address conflicts of interest? Should vendors who do business with the Village, need to disclose business relationships they have with elected officials?