



Legislation Details (With Text)

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Title: Resolution to Approve the Renewal Contract with Medicare Part D Advisors, Inc. to Fulfill Administrative and Actuarial Services to the City and to Authorize the City Administrator to Execute the Necessary Documentation

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| 12/19/2016 | 1 | City Council | Approved | Pass |

Resolution to Approve the Renewal Contract with Medicare Part D Advisors, Inc. to Fulfill Administrative and Actuarial Services to the City and to Authorize the City Administrator to Execute the Necessary Documentation

The attached Resolution authorizes the City Administrator to execute the renewal contract for administrative services with Medicare Part D Advisors, Inc. Part D Advisors, Inc. keeps a percentage of the funds reimbursed to the City by Medicare.

Budget/Fiscal Impact: This does not adversely impact the FY2017 budget and will not adversely impact the FY2018 budget, as the City receives a refund from Medicare, from which the consultants will receive their fees. Further, receipt of the subsidy has a favorable impact for the City for GASB 45 purposes.

The Medicare Part D program added voluntary outpatient prescription drug benefits to the Medicare program effective January 1, 2006. Medicare pays an employer a subsidy of up to 28% of its prescription drug costs if its retirees covered under the retiree medical plan do not participate in the Medicare Part D program.

Prepared By: Jessica Hull, Employee Benefits Supervisor

Reviewed By: Robyn Wilkerson, Director of Human Resources and Labor Relations

Approved By: Howard S. Lazarus, City Administrator

Whereas, The City provides retiree medical coverage to eligible retired City employees and their eligible dependents in accordance with the employee benefits program and various labor contracts;

Whereas, The Federal Government enacted a new provision to the Medicare program, Medicare Part D to provide outpatient prescription drug benefits effective January 1, 2006;

Whereas, The City-provided benefit is more generous than that offered under Medicare Part D;

Whereas, Medicare will pay employers a subsidy to have retirees not participate in the Part D program;

Whereas, Receipt of the subsidy will have favorable financial impact to the City with respect to GASB 45 disclosure requirements;

Whereas, Medicare Part D Advisors, Inc. will provide the necessary services on the same terms and conditions, including administrative fees, for the renewal period; and

Whereas, Part D Advisors complies with the requirements of the City's Non-Discrimination and Living Wage Ordinances;

RESOLVED, That City Council approve the renewal contract for the period January 1, 2017 to December 31, 2017, with Medicare Part D Advisors, Inc; and

RESOLVED, That the City Administrator be authorized and directed to execute the necessary contract documentation after approval as to form by the City Attorney and take any further necessary administrative actions to implement this resolution.