



Legislation Text

File #: 14-1494, **Version:** 1

Resolution to Affirm and Approve Coverage Service Contracts for FY 2009-2015 with Unum Life Insurance (\$2,063,230.26), Flores & Associates (\$232,562.50), Part D Advisors (\$873,452.75), and Delta Dental (\$1,631,605.39) to provide Insurance and Administration services to City Employees, Retirees, and their Dependents

The attached resolution retroactively authorizes the coverage services contracts with each of the named service providers. Payments for these health care services for each of the fiscal years have previously been budgeted in the respective approved fiscal budgets and expended for the stated insurance.

Under Public Act 106 of 2007, the City is required to go to RFP on the Health and Welfare plans every 3 years. An RFP was done in 2010 and 2013 by our Benefits Broker, McGraw Wentworth. Each of the named vendors' contracts that were carried over each year providing uninterrupted coverage to employees; however, the contract terms were not presented to Council for approval.

These carriers and administrators continued to provide the best services for the most reasonable cost and agreed to maintain those rates and fees from July 1, 2009 - present.

The overall costs for the program will fluctuate monthly depending both on the number of employees and retirees enrolled in the program during any given month, and the amount of incurred claims actually paid during any given month.

Unum Life Insurance, Flores & Associates, Part D Advisors, and Delta Dental received Human Rights approval each year from the period of 7/1/09-present.

Prepared by: Kelly Beck, Employee Benefits Supervisor

Reviewed by: Robyn Wilkerson, HR and Labor Relations Director

Approved by: Steven D. Powers, City Administrator

Whereas, The City provides Health and Welfare benefits to City employees, their eligible dependents, and retirees and their eligible dependents, in accordance with the employee benefits program and various labor contracts at an estimated annual cost of approximately \$15,000,000;

Whereas, In accordance with Public Act 106 of 2007, the City periodically issued Requests for Proposals for the provisions of health and welfare benefits;

Whereas, All necessary funds for the provision of health and welfare benefits to employees and their dependents were annually budgeted for and approved as part of approved Fiscal Year budgets; and

Whereas, Coverage service providers contracts were not consistently presented for approval during this period and it is necessary to affirm and approve these contracts;

RESOLVED, That City Council affirm and approve contracts with each of the following service providers: Unum Life Insurance, Flores & Associates, Part D Advisors, and Delta Dental for the

period FY 2009-2015 to provide Insurance and Administration services to City Employees, Retirees, and their Dependents;

RESOLVED, That the terms of the respective contracts shall be consistent with the employee labor contracts and employee benefit plans which establish the level of coverage for City employees; 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.