Legislation Details (With Text)

File #:	22-1903	**Version:**	1	**Name:**	12/5/22 Renewal of City's Contract with EyeMed Vision Care LLC
Type:	Resolution			**Status:**	Passed
File created:	12/5/2022			**In control:**	City Council
On agenda:	12/5/2022			**Final action:**	12/5/2022
Enactment date:	12/5/2022			**Enactment #:**	R-22-381

Title: Resolution to Approve the Amendment and Renewal of the City's Contract with EyeMed Vision Care LLC to Provide Vision Benefit Coverage to City Employees and their Eligible Dependents, and to Authorize the City Administrator to Execute the Necessary Documentation ($340,000.00 for a forty-eight (48) month policy period, through 12/31/2026)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Final Active Plan_City of Ann Arbor_2023-01-01.pdf

Date	Ver.	Action By	Action	Result
12/5/2022	1	City Council	Approved	Pass

Resolution to Approve the Amendment and Renewal of the City's Contract with EyeMed Vision Care LLC to Provide Vision Benefit Coverage to City Employees and their Eligible Dependents, and to Authorize the City Administrator to Execute the Necessary Documentation ($340,000.00 for a forty-eight (48) month policy period, through 12/31/2026)
The attached Resolution seeks to approve the amendment and renewal of the EyeMed Vision LLC Contract for calendar year's 2023, 2024, 2025 & 2026, and authorizes related payments to EyeMed Vision Care LLC ("EyeMed") to administer the City's Vision Plan.

Public Act 106, requires the City to competitively bid our medical, dental and vision coverage every three years. Marsh & McLennan Agency, our healthcare advisor, conducts the bidding on our behalf and recommends a service provider. We completed this bidding process for plan year 2023. EyeMed remained the best option for vision coverage. The City will competitively bid this vision plan in 2026 for the 2027 plan year to stay in compliance with Public Act 106.

Budget/Fiscal Impact: The necessary funds have already been appropriated as part of the FY23 approved budget through June 30, 2023. Required funding for the portion of contract term from July 1 through December 31, 2023, is planned to be budgeted in the future, along with the following years through December 31, 2026. The estimated annual cost of this employee benefit is $85,000.

This plan is a fully insured program and requires the City to pay a set monthly premium that is fixed for the next four years. The monthly premiums are $5.10 for single, $9.69 for two people, and $14.22 for a family from January 1, 2023 - December 31, 2026. The monthly costs for the program will fluctuate depending on the number of employees enrolled in the program during any given month.

The City is in a current contract with EyeMed through December 31, 2022. Employee labor contracts

and the employee benefit plans establish the level of vision coverage for City employees. There is no change in the level of vision coverage with this renewal and payment authorization.
Prepared By: Jessica Hull, Employee Benefits Supervisor
Reviewed By: Debra Buckson, Chief Human Resources and Labor Relations Officer
Approved By: Milton J. Dohoney Jr., City Administrator
Whereas, The City provides vision care benefits to City employees and their eligible dependents in accordance with the employee benefits program and various labor contracts at an estimated annual cost of approximately $85,000;

Whereas, The City's current contract with EyeMed is due for renewal on January 1, 2023;

Whereas, The Human Resources Services recommends renewal of the EyeMed contract through the end of CY 2026 in accordance with the attached rate amendment;

Whereas, Funds have been appropriated in the FY23 budget and will be budgeted in the FY24 budget, to cover projected costs associated with the provision of the vision care benefit;

Whereas, Funds will be budgeted in subsequent fiscal years for the remainder of the term for the provision of vision care coverage; and

Whereas, EyeMed Vision Care LLC complies with the requirements of the City's Non-Discrimination and Living Wage Ordinances;

RESOLVED, That City Council approve the contract amendment and renewal with EyeMed Vision Care, LLC through December 31, 2026, to provide vision care coverage to City employees and their eligible dependents;

RESOLVED, That the City Council approve a ten percent (10%) contingency to be expendable from the Risk Fund, subject to City Administrator approval;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator is authorized to take all necessary actions to implement this resolution including execution of all related documentation required through December 31, 2026.