



Agenda Item:

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COUNCIL COMMUNICATION City Manager's Office

GENERAL INFORMATION

Agenda Date: 05/09/05
256

Communication No.: 05-

Agenda Item Type: Resolution
No.:

Roll Call

Submitted by: Thomas G. Turner, Human Resources Director

SUBJECT—

Renewal of Coventry HMO contract for police and fire bargaining unit employees.

SYNOPSIS—

Approval of renewal rates and authorization of the Mayor to execute and the City Clerk to attest the Coventry Group master contract renewal (Mike Teachout – President, 4600 Westown Parkway, Suite 200, West Des Moines, 50266) for and on behalf of the City of Des Moines.

FISCAL IMPACT—

Estimated cost in FY06 is \$842,623 of the \$902,282 budgeted.

RECOMMENDATION—

Approval

BACKGROUND—

As part of the current labor agreement between the City of Des Moines and the police and fire bargaining units, an HMO option is to be offered. Coventry has provided this benefit since the agreement was reached. The initial renewal quote was for a 16% increase to rates. HR staff

consulted with Coventry representatives and was successful in obtaining rates with a 9.8% increase or about \$60,447 less in annual costs. No changes in benefits will occur.

	Coventry	Renewal	Rates
	FY05	FY06	% Inc.
Single	\$231.83	\$254.73	9.8%
Family	\$830.54	\$911.93	9.8%