



REVISED

Agenda Item:

39

COUNCIL COMMUNICATION

City Manager's Office

GENERAL INFORMATION

Agenda Date: 08/08/05
Agenda Item Type: Resolution

Communication No.: 05-445
Roll Call No.:

Submitted by: Tom Turner, Human Resources Director

SUBJECT—

Contract amendment for group and supplemental Life Insurance with EMC National Life for City employees to include coverage for Polk County employees.

SYNOPSIS—

Amend contract and authorize the Mayor and City Clerk to execute and attest, respectively on behalf of the City of Des Moines, with EMC National Life Company (Bruce Kelley, CEO, Des Moines) for group and supplemental Life Insurance to include coverage for Polk County employees and extending rate guarantee for eighteen months through August 31, 2008.

FISCAL IMPACT—

No change

RECOMMENDATION—

Approval

BACKGROUND—

As directed by the City/County Human Resources sub-committee, several cost sharing ideas were identified, including joint purchasing of Life Insurance. The City's current life insurance provider, EMC National Life, has offered to provide Polk County's group life benefit at a lower rate than their current premium, saving them approximately \$30,000 or more per year. Further, EMC has offered the City an 18-month extension of the current premium rate of \$.14/1,000 of coverage. Extending the City's current rate is beneficial as EMC was \$.02/\$1,000 less than the next lowest bidder during a 2003 RFP and in light of the City's unfavorable experience since 2003. Also, the City and County will receive additional benefits such as enhanced coverage for County employees and an increased supplemental child benefit for City employees- at no additional cost for either the City or County.

To effectuate this amendment, the City must amend their contract with EMC to include the County. City and County experience will remain separate for purposes of premium rating.

