



**Council
Communication**
Office of the City Manager

Date

June 5, 2006

Agenda Item No. 58

Roll Call No. 06-

Communication No. 06-337

Submitted by: Thomas G. Turner, Human
Resources Director

AGENDA HEADING:

Approving the issuance of a Request for Proposals to provide administration of a comprehensive Employee Wellness Program.

SYNOPSIS:

Approval to issue an RFP for administration of an Employee Wellness Program. This action also authorizes the City legal department to negotiate a contract and the Mayor to sign the resulting agreement for services.

FISCAL IMPACT:

Amount: \$100,000 (not to exceed)

Funding Source: 2006-2007 Operating: Human Resources Department – Principal Health and Dental Fund IS301, HRS960100, page 285.

ADDITIONAL INFORMATION:

Health insurance rates for fiscal year 2007 remained flat for most active employees and pre-65 retirees and declined for a small number of police and fire employees. These favorable renewal rates are equal to slightly more than \$1,000,000 under the adopted FY 07 budget.

As part of Council's action approving the insurance rates, Council reserved up to \$100,000 of the savings for wellness programs aimed at promoting healthy lifestyles. Such initiatives can have a positive impact on health claims and insurance costs as well as employee morale and productivity.

At its meeting on May 24, 2006, the Employee Wellness Committee recommended that the Human Resources Department conduct an RFP for a wellness vendor. At a minimum, the selected company should provide an online service for employees to confidentially enter personal health information, track activities and have access to medical information. The selected vendor will also facilitate employee communications, including e-mail updates, payroll stuffers, posters, and recommend incentives, which are instrumental in engaging employees in Wellness programs.

The Wellness committee will interview vendors and recommend their choice and any incentive programs to the City Manager. City Legal will negotiate the terms of the agreement and submit to the Mayor for his signature.

PREVIOUS COUNCIL ACTION(S):

Date: April 10, 2006

Roll Call Number: 06-712

Action: Contract with Wellmark Blue Cross and Blue Shield of Iowa (John Forsythe, CEO) for health insurance coverage for City employees with a retiree option July 1, 2006 through June 30, 2007. ([Council Communication No. 06-192](#)) Moved by Vlassis to adopt. City Manager will appropriate up to \$100,000 to fund an Employee Wellness Program and will deposit the remainder into the fund balances of the City. Motion Carried 5-1. Council Member Brooks declares a conflict of interest and abstains from voting.

BOARD/COMMISSION ACTION(S): NONE

Date:

Roll Call Number:

Action:

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE