



Council Communication

Office of the City Manager

Date

December 21, 2009

Agenda Item No. 33

Roll Call No. ~~09-~~

Communication No. 09-874

Submitted by: Tom Turner, Human Resources
Department Director

AGENDA HEADING:

Selection of benefit consultant, Holmes Murphy and Associates, J. Douglas Reichardt, Chairman, 3001 Westown Pkwy, West Des Moines, Iowa 50266, to conduct a request for proposal (RFP) for employee health insurance, dental insurance and flexible spending account (FSA) administration for Fiscal Year 2011.

SYNOPSIS:

Approve contract with Holmes Murphy and Associates for the purpose of conducting a RFP for employee health insurance, dental insurance and FSA administration for Fiscal Year 2011.

FISCAL IMPACT:

Amount: \$19,500

Funding Source: Fiscal Year 2010 Recommended Operating Budget, IS301 HRS960100, page 147.

ADDITIONAL INFORMATION:

Per Roll Call No. 09-2122 from the November 23, 2009 meeting, City Council authorized the RFP process to select an employee benefit consultant to conduct RFP for employee health and dental insurance and FSA administration. Six employee benefit consultant companies submitted proposals. Two firms declined to bid because they disagreed with the scoring methodology, specifically weighting project cost as 70% of the total score. The balance of the criteria was based on firm abilities to successfully complete the project.

Holmes Murphy submitted the lowest bid and scored the highest overall score (scoring sheet is attached to the Roll Call). The RFP evaluation committee recommends that Holmes Murphy be granted the contract to:

- a. Conduct RFP for provision of health and dental insurance and administration of FSA for City Employees and Retirees with Procurement Administrator oversight; and
- b. Recommend best proposal and best funding mechanism to finance health and dental benefits.

PREVIOUS COUNCIL ACTION(S):

Date: November 23, 2009

Roll Call Number: 09-2122

Action: Authorizing a Request for Proposals (RFP) for benefit consulting services for the City's Employee Health and Dental Plans and Flexible Spending Account administration for FY2011 with a grant of good cause to expedite timelines under Section 2-710 of the Des Moines Municipal Code. (Council Communication No. 09-836) Moved by Coleman to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

February 2010: Selection of health insurance carrier(s) for provision of group health insurance, dental insurance and FSA administration.

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