

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: October 24, 2011
	Agenda Item No. 45 Roll Call No. <u>11-1810</u> Communication No. <u>11-653</u> Submitted by: James Wells, Human Resources Director

AGENDA HEADING:

Approval of agreement with Iowa Methodist Occupational Medicine, Eric Crowell, President and CEO, 1200 Pleasant St, Des Moines, Iowa 50309, to provide occupational health services to City employees for the period up to three years ending October 30, 2014 and grant exception to procurement ordinance for good cause shown.

SYNOPSIS:

Recommend acceptance of the committee’s recommendation by authorizing the Mayor to execute an agreement with Iowa Methodist Occupational Medicine (IMOC) for clinic services as defined in the agreement for the period ending October 30, 2014 with services expected to begin November 11, 2011

FISCAL IMPACT:

Amount: estimated cost remaining for FY 2012 is \$224,572 with a 4% increase to fee schedule in years two and three of the agreement.

Funding Source: 2011-2012 Operating Budget, Human Resources Department, Employee Health Clinic, GE001 HRS070000, page 149

ADDITIONAL INFORMATION:

The City of Des Moines contracts with health care providers for certain occupational health care services, such as pre-employment and return to work physicals, post-injury care, drug testing and medical monitoring. The City currently receives these services from Safe Works of Iowa (Safe Works). Safe Works was awarded this business through an RFP process for the period July 1, 2010 through June 30, 2013. Safe Works has determined that they can no longer provide these services for the price quoted in the RFP and has consequently gave written notice of termination of the agreement. The date through which services will be provided under the contract is November 10, 2011.

Upon receiving Safe Work’s notice of termination, staff contacted the only two remaining providers with occupational health care clinics in the City, IMOC and Concentra Medical Centers. Both provided proposals to the 2010 RFP and both were asked to submit similar bids for the same services beginning November 11, 2011. IMOC responded immediately, whereas Concentra has yet to submit a bid even after several requests beginning August 30, 2011.

IMOC’s current bid is approximately 18% higher than Safe Works. The occupational health evaluation committee has reviewed and recommends approval of IMOC’s proposal.

Good cause is shown for waiving the requirement for an RFP. An RFP was conducted just 18 months

ago. There are only two providers remaining that have occupational health clinics within the City limits. Both of them were contacted and asked for bids based on the previous RFP. IMOC was the only provider to submit a bid. Concentra did not submit a bid and further their 2010 proposal was 41% higher than IMOC's current bid.

PREVIOUS COUNCIL ACTION(S):

Date: May 24, 2010

Roll Call Number: 10-859

Action: [Contract](#) with Safe Works of Iowa, PLLC for occupational health services of City Employees from July 1, 2010 through June 30, 2013, annual cost \$314,317. ([Council Communication No. 10-302](#)) Moved by Mahaffey to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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