

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date:	March 8, 2013
	Agenda Item No.	41
	Roll Call No.	<u>13-0425</u>
	Communication No.	<u>13-122</u>
	Submitted by:	James R. Wells, Human Resources Director

AGENDA HEADING:

Selection of benefit consultant, Holmes Murphy and Associates (James S. Swift, Chairman, West Des Moines, Iowa) to provide employee benefit consulting for period beginning on or about March 18, 2013 through June 30, 2018.

SYNOPSIS:

Approve contract with Holmes Murphy and Associates (HMA) to provide consulting services for employee benefits. These services include, but are not limited to:

1. Market and implement through a competitive bidding process all employee benefit programs [Health, Dental, Flexible Spending Account (FSA), Health Reimbursement Account (HRA), Life, Long Term Disability (LTD), and Workers' Compensation Third Party Administrator (TPA)].
2. Guide the City and make recommendations with matters relating to the Patient Protection and Affordable Care Act (PPACA).
3. Provide professional assistance with employee wellness by analyzing data, recommending programs, measuring outcomes and evaluating program.
4. Monitor vendor performance.
5. Year-round, ongoing employee benefits consulting.

FISCAL IMPACT:

Amount: \$74,400 per year

Funding Source: FY13 Operating Budget, ISO301 HRS960100 – Health and Dental Fund, page 132

ADDITIONAL INFORMATION:

The City has used benefit consultants primarily to conduct a health insurance Request for Proposal (RFP). Now, with staffing changes in human resources, the complexity of the PPACA, and the push for effective and measurable employee wellness, a firm specializing in benefit administration is needed to ensure benefit compliance, risk control, and program effectiveness.

An RFP for these services was issued on January 24, 2013. Proposals were received from AON, Bernie Lowe, Brendan Berigan, Holmes Murphy, and Perspective. A committee of Larry Hulse, Mark Schultz, Jeanette Kirkpatrick, and James Wells evaluated and scored the five proposals. The committee gave HMA the highest score and recommends awarding the contract to them. HMA has previously performed work for the City, conducting RFPs for health, dental, and FSA plans. Holmes Murphy can seamlessly provide the scope of work required that ranges from an employee hotline to comprehensive employee wellness services to marketing benefit plans to PPACA expertise.

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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