

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b>	October 20, 2014
	<b>Agenda Item No.</b>	<b>34</b>
	<b>Roll Call No.</b>	<b><u>14-1645</u></b>
	<b>Communication No.</b>	<b><u>14-492</u></b>
	<b>Submitted by:</b>	<b>James R. Wells, Human Resources Director</b>

**AGENDA HEADING:**

Approve Agreement with Iowa Methodist Occupational Medicine (Unity Point) for occupational health services for City employees for a period of six (6) years.

**SYNOPSIS:**

Recommend acceptance of the staff committee’s recommendation by authorizing the Mayor to execute an agreement with Iowa Methodist Occupational Medicine (Unity Point) for clinic services as defined in the agreement for the period ending June 30, 2020.

**FISCAL IMPACT:**

Amount: Estimated cost remaining for Fiscal Year (FY) 2015 (eight [8] months) is \$187,629 with a four (4) percent increase to fee schedule in years two (2) and three (3) of the agreement.

Funding Source: 2014/2015 Operating Budget, Human Resources Department, Employee Health Clinic, G001 HR13100, page 123.

**ADDITIONAL INFORMATION:**

The City of Des Moines contracts with health 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 Iowa Methodist Occupational Clinic, now known as Unity Point. Unity Point was first awarded the business three (3) years ago on November 10, 2011. This agreement expires October 30, 2014.

A request for proposal (RFP) was issued on September 3, 2014. Proposals were received from Unity Point and Concentra. A committee representing Police, Fire, Public Works, Finance and Human Resources evaluated both proposals on four (4) criteria: ability to execute scope of services, cost, convenience, and efficiency and experience in providing similar services. Thirty percent of the scoring was devoted to cost with the balance based on qualitative criteria.

Unity Point outscored Concentra in all categories. Unity Point’s first year cost proposal was 35% lower than Concentra’s. Unity Point proposed a 4% annual increase for years two (2) and three (3), whereas Concentra refused to project cost beyond June 30, 2015. Both companies specialize in occupational health and are capable of executing all aspects of the scope of services. Unity Point received higher qualitative scores due to their exceptional service provided to the City over the past three (3) years.

Final scores provided by the evaluation committee totaled 100 points for Unity Point and 83 for Concentra.

The term of the proposed agreement with Unity Point is for three (3) years with three (3) one-year renewal options for a total of six (6) years. The fee-for-service cost schedule is known through June 30, 2017. The City Manager is authorized to negotiate each of the final three (3) years so long as the cost does not exceed a 4% increase in any one (1) renewal year. If Unity Point offers renewal rates in excess of 4% in any of the final three (3) years, the City Manager is authorized to negotiate one (1) year renewals subject to City Council approval.

**PREVIOUS COUNCIL ACTION(S):**

Date: May 20, 2013

Roll Call Number: [13-0849](#)

Action: [Amendment](#) to Agreement with Central Iowa Hospital Corporation d/b/a Unity Point Health for Wellness Services. ([Council Communication No. 13-263](#)) Moved by Coleman to adopt; refer to City Manager and Human Resources to establish benchmarks and a timeline for evaluation. Motion Carried 7-0.

Date: October 24, 2011

Roll Call Number: [11-1810](#)

Action: [Exception](#) to procurement ordinance competitive bidding requirements for good cause and approving agreement with Iowa Methodist Occupational Medicine (Eric Crowell, President and CEO) for occupation health services for employees for a period up to three years, \$224,572 for remainder of FY2012. ([Council Communication No. 11-653](#)) Moved by Mahaffey to adopt. Motion Carried 7-0.

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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