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Date May 19, 2008

**APPROVING EXCEPTION TO COMPETITIVE PROCUREMENT PROCESS
AND APPROVING EXTENSION OF CONTRACT WITH WELLMARK BLUE CROSS
BLUE SHIELD OF IOWA FOR HEALTH INSURANCE COVERAGE FOR
EMPLOYEES AND CERTAIN RETIREES**

WHEREAS, Wellmark Blue Cross and Blue Shield of Iowa (John Forsythe, CEO) has provided the City's employees (along with a retiree option) with health insurance coverage since February 1, 2003 under a fully insured plan; and

WHEREAS, after 2005, Wellmark Blue Cross and Blue Shield of Iowa was the selected provider pursuant to a Request for Proposals ("RFP") process; and

WHEREAS, the current health insurance coverage expires on June 30, 2008; and

WHEREAS, after an informal survey of other providers indicated that those health insurance rates would be greater than those quoted by Wellmark Blue Cross and Blue Shield of Iowa, a RFP was not issued and lengthy negotiations to extend the current insurance coverage continued; and

WHEREAS, it now is the desire of the City to extend contract coverage for active employees and retirees under the age of 65 for the period July 1, 2008 through June 30, 2009 from Wellmark Blue Cross and Blue Shield of Iowa at a cost of \$20,756,736.00 as detailed in the attached Council Communication; and

WHEREAS, an insurance binder representing the costs for coverage are available for approval and execution; and

WHEREAS, the City Manager recommends that the above described procurement be exempted from the competitive bidding requirements for good cause shown, pursuant to Subsection 2-710(a) of the Des Moines Municipal Code.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Des Moines, Iowa:

- a) That good cause has been established to exempt the procurement of employee and retiree health insurance coverage from the competitive procurement requirements of Des Moines Municipal Code Subsection 2-710(a); and

★ Roll Call Number

Agenda Item Number

62A

Date May 19, 2008

- b) That the rates of insurance as set out in the insurance binder from Wellmark Blue Cross and Blue Shield of Iowa, a copy of which is on file in the Office of the City Clerk, is approved and the Mayor is authorized and directed to execute such binder on behalf of the City of Des Moines.

(Council Communication 08- 286)

Moved by _____ to adopt.

Approved as to Form:

Carol J. Moser
 Carol J. Moser, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
HENSLEY				
KIERNAN				
MAHAFFEY				
MEYER				
VLASSIS				
TOTAL				

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

Mayor

City Clerk