

Date May 21, 2012

**APPROVING EXCEPTION TO COMPETITIVE PROCUREMENT PROCESS
AND APPROVING ADMINISTRATIVE SERVICES ONLY AGREEMENT WITH
WELLMARK BLUE CROSS AND BLUE SHIELD OF IOWA TO PROVIDE CLAIMS
ADMINISTRATION FOR EMPLOYEE AND RETIREE HEALTH PLANS FOR THE
PERIOD JULY 1, 2012 THROUGH JUNE 30, 2013**

WHEREAS, beginning July 1, 2011, the City of Des Moines returned to self-funding its employee and retiree health benefit; and

WHEREAS, Wellmark Blue Cross and Blue Shield of Iowa (“Wellmark”), John Forsyth, CEO, 1331 Grand Avenue, Des Moines, Iowa 50306, was selected to provide the administrative services associated with a self-insured fund; and

WHEREAS, the decision to self-fund has met initial cost savings as projected; and

WHEREAS, consistent with recommendations made by a consultant analysis performed by Aon in 2011, this year the City sought bid proposals for individual stop loss insurance and aggregate stop loss insurance as required of self funded programs for FY2013; and

WHEREAS, 11 quotes were received from A or higher rated insurance companies; and

WHEREAS, Wellmark submitted the lowest bid for both insurances as included in its administrative services agreement proposal; and

WHEREAS, Des Moines Municipal Code Subsection 2-710(b) authorizes the City Council subject to the recommendation of the City Manager, to waive the RFP process upon good cause shown; and

WHEREAS, the City Manager recommends that the above described procurement be exempted from the RFP requirements for good cause shown, pursuant to Des Moines Municipal Code Subsection 2-710(b); and

WHEREAS, the selection of Wellmark for claims administration of its employee and retiree health plan is recommended; and

Date May 21, 2012

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

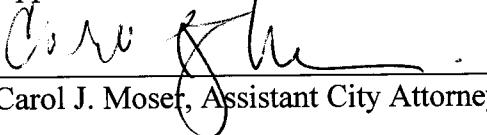
1) That good cause has been established to exempt the procurement of health insurance administrative services from the competitive procurement requirements of Des Moines Municipal Code Subsection 2-710(b); and

2) That an agreement for administrative services only with Wellmark Blue Cross and Blue Shield of Iowa, John Forsyth, CEO, 1331 Grand Avenue, Des Moines, Iowa 50306, to provide claims administration and fiduciary responsibility for the City's employee and retiree health plan for the term July 1, 2012 through June 30, 2013 as set out in the agreement from Wellmark, 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 Agreement on behalf of the City of Des Moines.

(Council Communication 12- 239)

Moved by _____ to adopt.

Approved as to Form:


 Carol J. Mosef, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
MEYER				
MOORE				
TOTAL				

MOTION CARRIED APPROVED

 Mayor

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.

 City Clerk