

Date November 18, 2013.....

**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 FLEXIBLE SPENDING ACCOUNTS AND
HEALTH REIMBURSEMENT ACCOUNTS FOR THE PERIOD
JANUARY 1, 2014 THROUGH JUNE 30, 2015**

WHEREAS, the City of Des Moines, Iowa provides the opportunity to defer salary into a Flexible Spending Account (“FSA”) and participation in Health Reimbursement Accounts (“HRA”) for some of its employees; and

WHEREAS, Wellmark Blue Cross and Blue Shield of Iowa, John Forsyth, CEO, 1331 Grand Avenue, Des Moines, Iowa 50309 has administered the City’s FSA program since 2006; and

WHEREAS, bids for FSA administration were taken in November 2012 and Wellmark was selected to administer both the FSA and HRA accounts for FY13; and

WHEREAS, at its May 20, 2013 meeting, the Des Moines City Council authorized an agreement with Wellmark to provide health insurance administrative services for its self funded employee and retiree plan; and

WHEREAS, also at that meeting, the administrative services agreement with Wellmark for FSA and HRA administrative services was extended through December 31, 2013 so that such service agreements would adhere to a calendar year to reflect the FSA and HRA year rather than the employer’s selected fiscal year; and

WHEREAS, the City’s benefit consultant now recommends that FSA and HRA administrative services be included as part of a health plan agreement in order to realize additional savings and efficiencies as described in the attached Council Communication; and

WHEREAS, it is recommended that FSA and HRA administrative services be extended to coincide with the period of the City’s health insurance agreement after which time such services will be competitively bid as a complete package; 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

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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).

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 Flexible Spending and Health Reimbursement Accounts 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 50309, to provide claims administration for the city's Flexible Spending and Health Reimbursement Accounts for the term January 1, 2014 through June 30, 2015 is approved and the Mayor is authorized and directed to execute an extension agreement on behalf of the City of Des Moines.

(Council Communication 13-)

Moved by _____ to adopt.

Approved as to form:


 Carol J. Moser, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE				
COLEMAN				
GRIESS				
HENSLEY				
MAHAFFEY				
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