

12-0806

39

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 FLEXIBLE SPENDING ACCOUNTS AND
HEALTH REIMBURSEMENT ACCOUNTS FOR THE PERIOD JULY 1, 2012
THROUGH JUNE 30, 2013**

WHEREAS, the City of Des Moines, Iowa provides its employees 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, 1311 Grand Avenue, Des Moines, Iowa 50306 has administered the City's FSA program since 2006 and did not charge for their administration apart from the health insurance then provided by Wellmark; and

WHEREAS, after the City moved to a self-insured plan, there was a charge for FSA administration; and

WHEREAS, the City solicited quotes for administration services for both its FSA and HRA plans with three received; and

WHEREAS, Wellmark's cost proposal was the lowest to administer the current FSA plan and the new HRA benefit; and

WHEREAS, in addition to providing the lowest bid, Wellmark's FSA reimbursement process is established and would maintain consistency in plan administration; 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 to administer FSA and HRA programs is recommended.

★ Roll Call Number
12-0806

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39

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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, 1311 Grand Avenue, Des Moines, Iowa 50306, to provide claims administration for the city's Flexible Spending and Health Reimbursement Accounts 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- 238)

Moved by Hensley to adopt.

Approved as to Form:

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

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

T. M. Franklin 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.

Diane Rauh City Clerk