



Roll Call Number

15-0833

Agenda Item Number

43

Date May 18, 2015

**APPROVING ADMINISTRATIVE SERVICES ONLY AND STOP LOSS
INSURANCE AGREEMENT WITH WELLMARK BLUE CROSS AND BLUE SHIELD
OF IOWA FOR EMPLOYEE AND RETIREE HEALTH PLANS FOR THE PERIOD
JULY 1, 2015 THROUGH JUNE 30, 2020**

WHEREAS, on March 8, 2013 by Roll Call 13-0425, the Des Moines City Council approved the retention of Holmes Murphy and Associates (“HMA”) to provide employee benefit consulting services including the evaluation of request for proposals for health insurance, dental insurance, and flexible spending account administration for coverage beginning FY 16; and

WHEREAS, on February 6, 2015, the City issued a RFP for health insurance, dental insurance, and flexible spending account administration; and

WHEREAS, proposals were received from Wellmark Blue Cross and Blue Shield of Iowa (“Wellmark”), United Health, and Aetna; and

WHEREAS, an evaluation team composed of city staff in consultation with HMA evaluated the proposals as described in the attached council communication; and

WHEREAS, Wellmark, John Forsyth, Chairman and CEO, 1331 Grand Avenue, Des Moines, Iowa 50309, submitted the winning proposal; and

WHEREAS, Wellmark has provided claims administration services for the City’s self-insured employee and retiree health plan since the City returned to a self-funded plan in FY11; and

WHEREAS, Wellmark has guaranteed all fixed administrative costs for the five-year term of the agreement, health and pharmacy administration will be no more than 2% above its fee in FY16, and a network discount guarantee on medical and pharmacy claims also has been guaranteed for five years; and

WHEREAS, in order to maintain consistency in plan administration and provider networks, it is recommended that the City award the contract to Wellmark to administer the City’s health plan.

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

That an agreement with Wellmark Blue Cross and Blue Shield of Iowa, John Forsyth, Chairman and CEO, 1331 Grand Avenue, Des Moines, Iowa 50309, to provide claims administration and stop loss insurance for the City’s employee and retiree health plan for the

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term July 1, 2015 through June 30, 2020 is approved and the Mayor is authorized and directed to execute such agreement on behalf of the City of Des Moines.

(Council Communication 15- 240)

Moved by Hensley to adopt.

Approved as to form:

Carol J. Moser

Carol J. Moser, Deputy City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GATTO	✓			
GRAY	✓			
HENSLEY	✓			
MAHAFFEY	✓			
MOORE	✓			
TOTAL	7			

MOTION CARRIED

APPROVED

T. M. Franklin Council 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