

Legislation Text

File #: TMP-0394, **Version:** 3

AN ORDINANCE APPROVING AWARD OF RFP NO. 2017-060 FOR THE PROVISION OF HEALTH INSURANCE AND EMPLOYEE BENEFIT BROKERAGE/CONSULTING SERVICES TO HOLMES MURPHY & ASSOCIATES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A ONE-YEAR AGREEMENT WITH THE OPTION OF FOUR (4) ADDITIONAL ONE-YEAR RENEWALS WITH HOLMES MURPHY & ASSOCIATES FOR THE PROVISION OF SAID SERVICES.

Issue/Request:

AN ORDINANCE APPROVING AWARD OF RFP NO. 2017-060 FOR THE PROVISION OF HEALTH INSURANCE AND EMPLOYEE BENEFIT BROKERAGE/CONSULTING SERVICES TO HOLMES MURPHY & ASSOCIATES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A ONE-YEAR AGREEMENT WITH THE OPTION OF FOUR (4) ADDITIONAL ONE-YEAR RENEWALS WITH HOLMES MURPHY & ASSOCIATES FOR THE PROVISION OF SAID SERVICES.

Key Issues:

The City has agreements with several providers for many benefits that its' employees receive. Some of these agreements will expire in the 2017 - 2018 fiscal year. Selection of a broker will allow the City to leverage resources to continue providing a broader scope of services, better benefits for employees and contain costs. The City has historically engaged the services of an insurance consultant to assist in benefits processes, but has determined that the level of service available from a full service brokerage firm will be an enhancement of the City's ability to provide competitive benefits to its employees for a modest cost increase over that which is already being spent.

Services Included by Brokerage Firm:

- A dedicated team of professionals to provide consistency in our services offered to employees
- On-site support as needed
- Customized reporting
- Increased employee benefits communication
- Compliance assistance with legislative updates, federal, state and local laws and professional opinion letters
- Funding and plan design analysis
- Program marketing
- Ancillary and Voluntary coverage analysis and implementation
- Development and implementation of a long term wellness strategy
- Client Education and Training

Proposed City Council Motion:

FIRST MOTION: AN ORDINANCE APPROVING AWARD OF RFP NO. 2017-060 FOR THE PROVISION OF HEALTH INSURANCE AND EMPLOYEE BENEFIT BROKERAGE/CONSULTING SERVICES TO HOLMES

MURPHY & ASSOCIATES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A ONE-YEAR AGREEMENT WITH THE OPTION OF FOUR (4) ADDITIONAL ONE-YEAR RENEWALS WITH HOLMES MURPHY & ASSOCIATES FOR THE PROVISION OF SAID SERVICES. I MOVE FOR SECOND READING.

SECOND MOTION: AN ORDINANCE APPROVING AWARD OF RFP NO. 2017-060 FOR THE PROVISION OF HEALTH INSURANCE AND EMPLOYEE BENEFIT BROKERAGE/CONSULTING SERVICES TO HOLMES MURPHY & ASSOCIATES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A ONE-YEAR AGREEMENT WITH THE OPTION OF FOUR (4) ADDITIONAL ONE-YEAR RENEWALS WITH HOLMES MURPHY & ASSOCIATES FOR THE PROVISION OF SAID SERVICES. I MOVE FOR ADOPTION.

Background:

With the increasing complexities of HR Law and Benefits programs (i.e. ACA, FLSA, etc.) the need for the City to stay compliant and to assist the HR staff with the myriad of benefit and employment law changes will need to utilize services of a broker that has the capacity to ensure appropriate information and services are provided in a consistent and timely manner.

In response to the City's desire to procure the services of an insurance and employee benefit brokerage and consulting firm, the Procurement and Contract Services Division issued RFP No. 2017-060. The RFP was posted on the City's website, as well as the City's e-procurement system, Public Purchase, which notified 314 possible vendors and was e-mailed directly to 15 possible vendors. A total of five (5) firms submitted proposals as of the closing date of the RFP.

Based upon the evaluation of bid responses, as well as the comparative cost analysis conducted by Procurement and Contract Services Division, the project evaluation committee recommended award of RFP No. 2017-060 to Holmes Murphy & Associates, LLC.

Impact/Analysis:

Benefits to be received by the City from the provision of insurance brokerage and consulting services include:

- Aggressive negotiations during annual renewals
- Decrease cost to the City for benefits services
- Increased efficiency and assistance to staff by providing higher level of support in the areas of communication and technology
- Increase level of available technology for the effective use of current tools and services
- Support for employees and families to make informed benefit selections

Presenter: Denise Kelly, Director of Human Resources

Recommendation: STAFF RECOMMENDS AN ORDINANCE APPROVING AWARD OF RFP NO. 2017-060 FOR THE PROVISION OF HEALTH INSURANCE AND EMPLOYEE BENEFIT BROKERAGE/CONSULTING SERVICES TO HOLMES MURPHY & ASSOCIATES AND AUTHORIZING THE CITY MANAGER TO ENTER INTO A ONE-YEAR AGREEMENT WITH THE OPTION OF FOUR (4) ADDITIONAL ONE-YEAR RENEWALS

WITH HOLMES MURPHY & ASSOCIATES FOR THE PROVISION OF SAID SERVICES.

Committee Recommendation: A motion was made by Vice Chair Seif, seconded by Councilmember Faith, that this Ordinance be recommended for approval to the City Council - Regular Session, due back on 2/16/2017. The motion carried by unanimous vote.