

RESOLUTION AUTHORIZING CONTRACT FOR MEDICAL AND PHARMACY PLAN
ADMINISTRATION SERVICES

WHEREAS, the City of Greensboro uses a Third Party Administrator to administer the medical and pharmacy benefits offered to active and retired employees as a component of its' Total Compensation program;

WHEREAS, the City of Greensboro and Human Resources contracts with a Third Party Benefits Plan Administrator Human Resources consulting firm that is specialized in the provision of claims processing, customer services, reporting, and support services related to the City's health and welfare programs;

WHEREAS, the three-year contract, with two potential one-year renewals, will exceed \$100,000, which requires City Council approval;

WHEREAS, Marsh and McLennan, on behalf of the City, conducted follow-up discussions with United Healthcare regarding their continuation of service and to determine best plan pricing options for the City. Once collected, the information was submitted to the City Manager and Human Resources for review. Based on the results of the follow-up discussions and in an effort to achieve the best pricing for the City and its medical plan members, it is recommended that Council consider awarding a three-year fixed price contract, with two potential one-year renewals to United Healthcare;

WHEREAS, the total estimated annual contract value is \$1,318,000. The three year estimated total is \$3,954,000. The maximum five-year estimated total contract value is \$6,590,000. Funds for this contract in the amount of approximately \$659,000 will be available 1/1/2018;

WHEREAS, funds for this contract in the amount of approximately \$1,318,000 will be available in fiscal year 2018-19; from Account 684-1001-01.5419;

WHEREAS, funding for subsequent years is subject to future City Council appropriations.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO::

That the resolution authorizing Contract for Medical Plan Administration Services to United Healthcare is hereby approved.