



## Legislation Text

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**File #:** ID 17-0562, **Version:** 1

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### Resolution Authorizing Contract for Medical Plan Administration Services

Department: City Manager  
Council District: N/A

Public Hearing: N/A  
Advertising Date/By: N/A

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#### **PURPOSE:**

During the July 18<sup>th</sup> meeting of Council, City Council directed staff to develop and provide a recommendation to Council at their August 15<sup>th</sup> meeting which would allow United Healthcare to continue to provide medical plan administration and pharmacy coverage services to the City of Greensboro (including identified costs).

#### **BACKGROUND:**

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 for review. Based on the results 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.

#### **BUDGET IMPACT:**

The total estimated annual Claims Administration contract value is \$1,318,000. The three year estimated total is \$3,954,000. The maximum five-year estimated total Claims Administration contract value is \$6,590,000. Funds for this contract in the amount of approximately \$659,000 will be available 1/1/2018 and \$1,318,000 will be available in fiscal year 2018-19. Funding for subsequent years is subject to future City Council appropriations.

#### **RECOMMENDATION / ACTION REQUESTED:**

Award a three-year fixed price contract with two potential one-year extensions to United Healthcare. Council approval of a resolution authorizing Contract for Medical Plan Administration Services is requested. Account #684-1001-01.5419.