



Legislation Text

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DATE: July 27, 2016

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Russell Truell, Assistant City Administrator / CFO
Shirley K. Harmon-Gower, Director of Human Resources
Sara E. Sylvis, Risk/Benefits Manager
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SUBJECT:

Acknowledge report of execution of Procurement Agreement with Aetna Life Insurance Company of Hartford, Connecticut, in the total estimated annual amount of \$119,908 for life, accidental death and dismemberment, and supplemental life group employee insurance benefits for a three-year term of award with two one-year options to extend, for the Human Resources Department (Purchasing Office Procurement Solicitation No. 2016-018; Contract No. 2016-0112)

Purpose

The purpose of this procurement is to purchase life, accidental death and dismemberment, and supplemental life group employee insurance benefits for a term of award of three (3) policy years, effective upon acceptance by the City for the policy year to begin July 1, 2016, with two (2) options to extend the term of award, each time for one (1) additional policy year, for a maximum possible term of award of five (5) policy years total.

Background

At its meeting on May 24, 2016, the Board of Mayor and Aldermen voted to award this procurement for life, accidental death and dismemberment, and supplemental life group employee insurance benefits to Aetna Life Insurance Company of Hartford, Connecticut. Pursuant to authority previously granted by the Board of Mayor and Aldermen to the City Administrator, the contract memorializing this award (City Contract No. 2016-0112) has now been executed by the City Administrator and is attached.

Financial Impact

As reported previously, the proposal from Aetna Life Insurance Company is in the total estimated annual amount of \$119,908 for life, accidental death and dismemberment, and supplemental life group employee insurance benefits. Aetna is the City's current carrier for these lines of insurance coverage. The Aetna proposal for these lines of coverage is for the same limits of coverage and is for the same premium rates as the City is paying currently. Prior to deciding whether to exercise either of the options to extend the three-year term of award, the parties to the contract would need to negotiate the premium rates that would apply to any such extension.

Recommendation

Staff recommends that the Board of Mayor and Aldermen acknowledge receipt of this report of execution of a Procurement Agreement with Aetna Life Insurance Company of Hartford, Connecticut, in the total estimated annual amount of \$119,908 for life, accidental death and dismemberment, and supplemental life group employee insurance benefits for a three-year term of award with two one-year options to extend, for the Human Resources Department (City Contract No. 2016-0112).