



Legislation Text

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DATE: September 7, 2017

TO: Board of Mayor and Aldermen

FROM: Eric Stuckey, City Administrator
Kristine Tallent, Assistant City Administrator / CFO
Kevin Townsel, Human Resources Director
Sara Sylvis, Interim Assistant Human Resources Director
Brian Wilcox, Purchasing Manager

SUBJECT:

Acknowledge report of execution of Administrative Services Agreement with BlueCross BlueShield of Tennessee, Inc. of Chattanooga, Tennessee for administrative services for the City's group employee health, pharmacy and vision insurance benefits, for a term of award of three (3) years, to be effective July 1, 2017, with two (2) one-year options to extend the term of award thereafter, for the Human Resources Department (Purchasing Office Procurement Solicitation No. 2017-014; Contract No. 2017-0090)

Purpose

The purpose of this procurement is to purchase administrative services for the City's self-funded group employee health, pharmacy and vision insurance benefits, for a term of award of three (3) years, to be effective July 1, 2017, with two (2) one-year options to extend the term of award thereafter, for the Human Resources Department.

Background

As previously reported, the City published on February 9, 2017 a Notice to Proposers in the *Williamson Herald* for the following three (3) separate and independent group employee insurance procurements: (a) health benefits and associated services; (b) pharmacy benefits; and (c) vision benefits. In addition, solicitation documents were sent on or about the same date directly to thirteen (13) potential proposers known or thought to be interested in this solicitation. Proposals from eleven (11) service providers were publicly opened at the submittal opening held on March 16, 2017. At its meeting on May 9, 2017, the Board of Mayor and Aldermen voted to award this procurement to BlueCross BlueShield of Tennessee, Inc. of Chattanooga, Tennessee.

Financial Impact

As previously reported, the proposals from BlueCross BlueShield of Tennessee, Inc. of Chattanooga, Tennessee, for administrative services for the City's group employee health, pharmacy and vision insurance benefits include quoted fees that compare favorably with the most recently available corresponding figures under the City's current arrangement with the same service provider.

Recommendation

Staff recommends that the Board of Mayor and Aldermen acknowledge receipt of this report of execution of an Administrative Services Agreement (City Contract No. 2017-0090) with BlueCross BlueShield of Tennessee, Inc. of Chattanooga, Tennessee, for administrative services for the City's group employee health, pharmacy and vision insurance benefits, for a term of award of three (3) years, to be effective July 1, 2017, with two (2) one-year options to extend the term of award thereafter, for the Human Resources Department. Pursuant to authority previously granted by the Board of Mayor and Aldermen, Contract No. 2017-0090 has now been executed for the City by the City Administrator and is attached.