



Legislation Text

File #: 100203, **Version:** 1

100203
Substitute 1

THE CHAIR

Substitute resolution authorizing the Department of Employee Relations to enter into a contract for health benefits for 2011.

Whereas, DER has completed a Request for Proposal process under Common Council file 091351 for an insured Health Maintenance Organization health insurance plan for City employees and retirees, and,

Whereas, the only vendor to bid on the Health Maintenance Organization plan was the current vendor, the UnitedHealthcare Choice Plan, and,

Whereas the Department of Employee Relations Review Team has considered this bid and the bids of four other providers who offered a self-funded Exclusive Provider Organization plan, and,

Whereas the Review Team found the insured Health Maintenance Organization bid a clear financial advantage to the City, and,

Whereas the bid from UnitedHealthcare has been rebalanced by UnitedHealthcare providing an 11.6% increase for active employees, a 55% increase for pre-Medicare retirees and a 15.6% decrease for Medicare Retirees, or an overall 17% increase, and,

Whereas the self-funded exclusive provider organization plan has projected increases between 15% and 33% based on utilization in 2012,

Therefore be it resolved that the Department of Employee Relations, with the approval of the City Attorney's office, is authorized to enter into a one-year contract with UnitedHealthcare for the period of January 1, 2011 through December 31, 2011 to provide an insured Health Maintenance Organization health benefit through UHC Choice.

DER
MB
06/21/10