



City of Columbus

Office of City Clerk
90 West Broad Street
Columbus OH 43215-9015
columbuscitycouncil.org

Legislation Text

File #: 0121-2008, Version: 1

BACKGROUND: As a result of a Request For Proposal process in accordance with Section 329.14 of the Columbus City Codes, three short term disability insurance bid responses were reviewed by the City's Evaluation Committee, comprised of five members. Each proposal was evaluated on the following criteria as required by section 329.14: competency to perform, quality and feasibility of the offerors technical proposal, ability to perform the required service competently, past performance, and the cost structure of the proposal. Hartford Life and Accident Insurance Company is recommended as the short term disability plan administrator. Hartford Life and Accident Insurance Company provides the most experience with the public sector and, a guaranteed three year administrative rate. The short term disability administrative rate of \$3.87 per employee per month is effective February 1, 2008 until January 31, 2009, renewable annually with a two year renewal option. Hartford Accident and Life offers the ability to duplicate negotiated benefits.

Contract compliance number is 06-0838648

To maintain insurance programs in accordance with the negotiated labor contracts, additional funding of the short term disability insurance program is necessary to insure continuation of employee insurance coverage. Cost estimates were based on 2006-07 trust fund expenditures using a three year average of actual city utilization, expected changes due to union negotiations, as well as input from insurance carriers.

FISCAL IMPACT: To enter into a contract with Hartford Life and Accident Insurance Company to establish the maximum obligation liability, and to authorize the appropriation and expenditure of \$3,178,350.00 for short term disability administrative and claims services from February 1, 2008 through January 31, 2009. Funding is available in the 2008 budget for this contract. This ordinance is an emergency measure to ensure continued insurance coverage as negotiated by union contracts.

To authorize the Human Resources Director to enter into a contract with Hartford Life and Accident Insurance Company to provide all eligible employees short term disability insurance coverage from February 1, 2008 through January 31, 2009; to authorize the appropriation and expenditure of \$3,178,350.00 from the Employee Benefits Fund, or so much thereof as may be necessary to pay the costs of said contract; and to declare an emergency. (3,178,350.00)

WHEREAS, it is in the best interest of the City of Columbus to enter into a contract with Hartford Life and Accident Insurance Company to provide all eligible employees short term disability insurance from February 1, 2008 through January 31, 2009; and

WHEREAS, it is necessary to authorize the appropriation and expenditure of up to \$3,178,350.00, or so much thereof as may be necessary to pay contract costs for short term disability insurance services; and

WHEREAS, an emergency exists in the usual daily operation of the City of Columbus in that it is immediately necessary to enter into a contract and to pay the associated contract costs to avoid interruption in necessary services for the preservation of the public health, peace, property, safety and welfare;

See attachment: 0121-2008 STD appropriation attachment

Now, Therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That the Human Resources Director is hereby authorized and directed to enter into a contract with Hartford Life and Accident Insurance Company to provide short term disability insurance to all eligible employees from February 1, 2008 through January 31, 2009.

SECTION 2. That the appropriation and expenditure of up to \$3,178,350.00, or so much thereof as may be necessary for coverage from the Employee Benefits Fund 502, Department of Human Resources is hereby authorized and directed. Division Number 46-01, OL1 3, OL3 3363, OCA 461042, Subfund 211, Amount \$3,178,350.00, Type claims/ Administrative fee.

SECTION 3. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance is declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage, if the Mayor neither approves nor vetoes the same.