



City of Columbus

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

Legislation Text

File #: 2642-2014, **Version:** 1

BACKGROUND: As a result of a Request For Proposal process in accordance with Section 329.14 of the Columbus City Codes, five prescription drug 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. Catamaran is recommended as the prescription drug insurance benefits administrator. Catamaran's proposal demonstrated cost savings, proven government sector experience, as well as the ability to duplicate negotiated benefits.

To maintain insurance programs in accordance with the negotiated labor contracts, additional funding of the prescription drug insurance program is necessary to insure continuation of the prescription drug insurance program. Cost estimates were based on 2013-14 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 and from the City's employee benefits consultant. The contract is for a three-year period, subject to annual appropriation.

Emergency action is requested to ensure the prescription drug insurance program for city employees is able to commence as soon as contractually possible, thereby maintaining continuity of service.

Contract compliance number is 75-2578509

FISCAL IMPACT: To enter into contract with Catamaran to establish the maximum obligation liability of \$32,097,000 for the prescription drug plan administration services from February 1, 2015 through January 31, 2016. Funding is available in the 2015 budget for this contract. Contingent on the passage of the 2015 Operating Budget (ordinances 2620-2014 and 2621-2014).

To authorize the Human Resources Director to enter into contract with Catamaran to provide all eligible employees prescription drug insurance coverage from February 1, 2015 through January 31, 2016 and to authorize the expenditure of \$32,097,000.00 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. (\$32,097,000.00)

WHEREAS, it is in the best interest of the City of Columbus to enter into contract with Catamaran to provide all eligible employees prescription drug insurance from February 1, 2015 through January 31, 2016; and

WHEREAS, Catamaran has indicated its intention to use an MBE and report the dollar amount quarterly.

WHEREAS, it is necessary to authorize the expenditure of up to \$32,097,000, or so much thereof as may be necessary, to pay contract costs for prescription drug insurance services;

WHEREAS, an emergency exists in the usual daily operation of the Department of Human Resources in that it is immediately necessary to authorize the Director to enter into contract to ensure the prescription drug insurance program for city employees is able to commence as soon as contractually possible, thereby maintaining continuity of service; **Now**,

Therefore,

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

SECTION 1. That the Human Resources Director is hereby authorized to enter into contract with Catamaran to provide prescription drug insurance to all eligible employees from February 1, 2015 through January 31, 2016.

SECTION 2. That the expenditure of \$32,097,000 or so much thereof as may be necessary for coverage is hereby authorized to be expended as follows:

Department: 46-02 | Fund: 502 | Subfund: 209 | OL1 - 03 | OL3 - 3362 | OCA 462035

Amount: \$97,000

Department: 46-02 | Fund: 502 | Subfund: 209 | OL1 - 03 | OL3 - 3363 | OCA 462005

Amount \$32,000,000

SECTION 3. That the funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 4. 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.