



City of Columbus

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

Legislation Text

File #: 0116-2005, **Version:** 1

BACKGROUND: As a result of a Request For Proposal process in accordance with Section 329.14 of the Columbus City Codes, ten dental 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. Aetna Life Insurance Company is recommended as the dental plan administrator. Administrative rate of \$2.95 per employee per month indemnity plan the first year and \$3.15 PPO plan; \$3.10 per employee per month indemnity plan the second year and \$3.31 PPO plan; and \$3.25 per employee per month indemnity plan and \$3.47 PPO plan for year three, renewable annually. Aetna offered a broad based provider network, deep discounts and has the ability to duplicate negotiated benefits.

Contract compliance number is 06-6033492

To maintain the dental insurance program in accordance with the negotiated labor contracts, additional funding of the dental insurance program is necessary to insure continuation of employee insurance coverage. Cost estimates were based on 2003-04 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

FISCAL IMPACT: To enter into a contract with Aetna Life Ins to establish the maximum obligation liability, and to authorize the expenditure of \$5,928,972.00 for dental plan administration services from February 1, 2005 through January 31, 2006. Funding is available in the 2005 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 Aetna Life Ins to provide all eligible employees dental insurance coverage from February 1, 2005 through January 31, 2006 and to authorize the expenditure of \$5,928,972.00 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. (\$5,928,972)

WHEREAS, it is in the best interest of the City of Columbus to enter into a contract with Aetna to provide all eligible employees dental insurance from February 1, 2005 through January 31, 2006; and

WHEREAS, it is necessary to authorize the expenditure of up to \$5,928,972.00, or so much thereof as may be necessary to pay contract costs for dental 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 for the preservation of the public health, peace, property, safety and welfare;
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 a contract with Aetna to provide dental insurance to all eligible employees from February 1, 2005 through January 31, 2006.

SECTION 2. That the expenditure of up to \$5,928,972.00, 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.

See Attachment ORD0016-2005

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.

