



City of Columbus

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

Legislation Text

File #: 0119-2008, **Version:** 1

BACKGROUND: To maintain the insurance programs in accordance with the negotiated labor contracts, it is necessary to modify and extend the existing contract with United HealthCare Insurance Company (Medco) and to provide additional funding for the prescription drug insurance program. Cost estimates were based on 2006-2007 trust fund expenditures trended on the basis of an eighteen-month of actual City utilization in conjunction with industry trends, as well as input from actuarial services and from the insurance carrier. The contract is for a three-year period, subject to annual appropriation; this ordinance represents the third renewal option.

Contract compliance number is 31-1142815

To modify and extend the existing contract with United HealthCare Insurance Company (Medco) to establish the maximum obligation liability, and to authorize the appropriation and expenditure of \$22,359,600.00 for the prescription drug plan administration services from February 1, 2008 through January 31, 2009; and to declare an emergency.

To authorize the Human Resources Director to modify and extend the contract with United HealthCare Insurance Company (Medco) to provide all eligible employees prescription drug insurance coverage from February 1, 2008 through January 31, 2009 and to authorize the appropriation and expenditure of \$22,359,600.00 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. (\$22,359,600.00)

WHEREAS, it is in the best interest of the City of Columbus to modify and extend the existing contract with United HealthCare Insurance Company (Medco) to provide all eligible employees prescription drug insurance from February 1, 2008 through January 31, 2009; and

WHEREAS, it is necessary to authorize the appropriation and expenditure of up to \$22,359,600.00, or so much thereof as may be necessary to pay contract costs for prescription drug insurance services; and

WHEREAS, an emergency exists in the usual daily operation of the City of Columbus in that it is 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;

Now, Therefore,

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

SECTION 1. That the Human Resources Director is hereby authorized to modify and extend the existing contract with United HealthCare Insurance Company (Medco) to provide prescription drug insurance to all eligible employees from February 1, 2008 through January 31, 2009.

SECTION 2. That the appropriation and expenditure of up to \$22,359,600.00 or so much thereof as may be necessary for coverage from the Employee Benefits Fund, Fund 502, is hereby authorized and directed: Department of Human Resources NO. 46-01, OL1 3, OL3 3362, OCA 461035, Subfund 209, Amount \$58,560.00; and Department of Human Resources NO. 46-01, OL1 3, OL3 3363, OCA 460005, Subfund 209, Amount \$22,301.040.00.

See attachment: 0119-2008 RX Appropriation attachment

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.