



Legislation Text

File #: 1024-2009, **Version:** 1

The City of Columbus recently solicited responses to a formal Request for Proposal for a third party medical and dental claims audit: to identify potential claims payment errors by United Health Care of Ohio (UHC) and Delta Dental respectively; recover overpayments; and ensure plans are administered in accordance with negotiated contracts. Six vendors responded to the formal RFP. Employee Benefits and Risk Management conducted an analysis of responses, from local and national companies, to assess their ability to perform an electronic screening and analysis, and a claims administration statistical sample field audit. A number of factors were considered including the companies' fee structure, experience in the audit industry, and reporting capabilities. The committee evaluated all candidates using the criteria set forth in Columbus City Code 329.12.

Claims Technology, Inc. was selected to provide an audit of medical and dental claims for the period of October 1, 2006 through September 30, 2009 due to its ability to perform a comprehensive audit at the lowest audit fees. The company performed the city's audit in 2001 and 2004 and has maintained data to allow for a comparison to this year's audit. In addition, the same team will handle this process this year and Employee Benefits and Risk Management expects an expedient and thorough analysis.

This ordinance is being requested as an emergency measure to expedite the audit.

Contract compliance number is 42-1414040

FISCAL IMPACT: To enter into contract with Claims Technology, Inc. The maximum obligation for this contract includes an audit fee of \$50,000 that includes all expenses. Payments will be made from the Employee Benefits Fund (Fund 502) in the Human Resources Department.

To authorize the Human Resources Director to enter into contract with Claims Technology, Inc. to provide the City of Columbus an audit of UHC medical claims and Delta Dental dental claims and to authorize the expenditure of \$50,000 from the Employee Benefits Fund, that includes all expenses; and to declare an emergency. (\$50,000)

WHEREAS, it is in the best interest of the City of Columbus to enter into a contract with Claims Technology, Inc. to provide an audit of UHC medical claims and Delta Dental dental claims for the time period October 1, 2006 through September 30, 2009; and

WHEREAS, it is necessary to authorize the expenditure of up to \$50,000; and

WHEREAS, an emergency exists in the usual daily operations of the Department of Human Resources in that it is immediately necessary to enter into the contract and to pay the associated costs to expedite the audit, thereby preserving 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 contract with Claims Technology, Inc. to provide a audit of UHC medical claims and Delta Dental dental claims adjudicated from October 1, 2006 through September 30, 2009.

SECTION 2. That the expenditure of up to \$50,000, from the Employee Benefits Fund 502, Department of Human Resources, Division No. 46-02, Object Level One 3, Object Level 3336, OCA 450882 is hereby authorized and directed.

SECTION 3. That for 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.