



City of Columbus

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

Legislation Text

File #: 0505-2008, Version: 1

BACKGROUND: To maintain the insurance programs in accordance with the negotiated labor contracts, it is necessary to modify the existing contract with Aetna Life Insurance, and to provide additional appropriation for the continuation of the dental insurance program. Additional appropriation is needed due to higher than projected dental insurance claims during the run-out period with Aetna Life Insurance.

In February 2007, \$5 million was appropriated to Aetna Life Insurance and in December 2007, an additional \$950,000.000 was appropriated to meet anticipated annual expenses of \$5.95 million. However, additional appropriations are needed to fund run-out claims (with a date of service on or before January 31, 2008) with Aetna Life Insurance, estimated to be an additional \$650,000. Per the contract with Aetna Life Insurance, the run-out period in which dentists are required to submit claims (with a date of service on or before January 31, 2008), expires January 31, 2009. The additional appropriation and modification does not require additional cash funding. Cash funding is available in the total Employee Benefits Fund from all insurance subfunds.

Contract compliance number: 06-6033492, Expires 3/7/2010

FISCAL IMPACT: No fiscal impact; funding is available to modify a contract with Aetna Life Insurance, to authorize the expenditure of \$650,000.00 for Aetna Life Insurance through January 31, 2009, and to provide additional appropriations for dental claims expenses. Funding is available for this modification in the Employee Benefits Fund. This ordinance is an emergency measure to ensure insurance coverage as negotiated by union contracts.

To authorize the City Auditor to appropriate \$650,000.00 from within the unappropriated balance of the Employee Benefits Fund; to authorize the Human Resources Director to modify the contract with Aetna Life Insurance to pay runoff claims through January 31, 2009, and to authorize the expenditure of \$650,000.00 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. (\$650,000.00.)

To authorize the City Auditor to appropriate \$650,000.00 from within the unappropriated balance of the Employee Benefits Fund; to authorize the Human Resources Director to modify the contract with Aetna Life Insurance to pay runoff claims through January 31, 2009, and to authorize the expenditure of \$650,000.00 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. (\$650,000.00)

WHEREAS, it is in the best interest of the City of Columbus to modify the contract to pay for runoff claims for claims incurred prior to January 31, 2008; and

WHEREAS, it is necessary to authorize the expenditure of \$650,000.00; or so much thereof as may be necessary to pay contract costs for group dental coverage; and

WHEREAS, it is necessary to authorize the appropriation of \$650,000.00 ; or so much thereof as may be necessary to pay contract costs for dental coverage from the unappropriated balance of the Employee Benefits Fund; and

WHEREAS, an emergency exists in the usual daily operation of the City of Columbus in that it is immediately necessary for aforementioned purpose 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 City Auditor is hereby authorized and directed to appropriate the sum of \$650,000.00 to the Employee Benefits Fund, from the unappropriated funds in the Employee Benefits Fund and all monies estimated to come into said fund from any and all

sources, and unappropriated for any other purpose.

SECTION 2. That the Human Resources Director is hereby authorized to modify the contract with Aetna Life Insurance (EA038210-01), to pay the dental insurance runoff claims for claims incurred prior to January 31, 2008.

SECTION 3. That the expenditure and appropriation of \$650,000.00, or so much thereof as may be necessary for coverage from the Employee Benefits Fund 502, Subfund 207, Department of Human Resources 46-01, OL1 -03, OL3-3363, OCA 460003, Amount \$650,000.00.

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.