



Legislation Text

File #: 2641-2014, **Version:** 1

BACKGROUND: To maintain insurance programs in accordance with the negotiated labor contracts, additional funding of the COBRA continuation insurance program is necessary to insure continuation of employee insurance coverage. 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. The contract is for a three-year period, subject to annual appropriation; this ordinance represents the second year.

Contract compliance number 41-1289245

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

FISCAL IMPACT: To modify and extend the existing contract with United HealthCare Insurance Company to establish the maximum obligation liability, and to authorize the expenditure of \$10,000.00 for COBRA administrative 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 modify and extend the contract with United HealthCare Insurance Company to provide all eligible employees COBRA continuation insurance coverage from February 1, 2015 through January 31, 2016 and to authorize the expenditure of \$10,000.00 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. (\$10,000.00)

WHEREAS, it is necessary to authorize the expenditure of up to \$10,000.00, or so much thereof as may be necessary, to pay contract costs for COBRA continuation insurance services;

WHEREAS, an emergency exists in the usual daily operations of the Department of Human Resources in that it is immediately necessary to modify a contract with United Healthcare in order to allow it 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 modify and extend the contract with United HealthCare Insurance Company to provide COBRA continuation insurance to all eligible employees from February 1, 2015 through January 31, 2016.

SECTION 2. That the expenditure of \$10,000.00 or so much thereof as may be necessary for coverage is hereby authorized to be expended as follows:

Department: 46-02 | Fund: 502 | Subfund: 208 | OL1 - 03 | OL3 - 3362 | OCA 462029

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.