



City of Columbus

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

Legislation Text

File #: 2994-2013, **Version:** 1

BACKGROUND: To maintain insurance programs in accordance with the negotiated labor contracts, additional funding of the prescription drug insurance program is necessary to insure continuation of the prescription drug insurance program. Cost estimates were based on 2012-13 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. The contract is for a three-year period, subject to annual appropriation; this ordinance represents the third year.

Contract compliance number is 41-1289245

FISCAL IMPACT: To enter into contract with United HealthCare Insurance Company to establish the maximum obligation liability of \$26,139,695.00 for the prescription drug plan administration services from February 1, 2014 through January 31, 2015. Funding is available in the 2014 budget for this contract.

To authorize the Human Resources Director to modify and extend the contract with United HealthCare Insurance Company to provide all eligible employees prescription drug insurance coverage from February 1, 2014 through January 31, 2015 and to authorize the expenditure of \$26,139,695.00 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. (\$26,139,695.00)

WHEREAS, it is in the best interest of the City of Columbus to modify and extend the contract with United HealthCare Insurance Company to provide all eligible employees prescription drug insurance from February 1, 2014 through January 31, 2015; and

WHEREAS, United HealthCare Insurance Company has indicated its intention to use an MBE and report the dollar amount quarterly.

WHEREAS, it is necessary to authorize the expenditure of up to \$26,139,695.00 or so much thereof as may be necessary to pay contract costs for prescription drug insurance services;

WHEREAS, an emergency exists in the usual daily operation of the City of Columbus in that it is immediately necessary to pay the contract costs to avoid disruption in prescription drug insurance 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 contract with United HealthCare Insurance Company to provide prescription drug insurance to all eligible employees from February 1, 2014 through January 31, 2015.

SECTION 2. That the expenditure of up to \$26,139,695.00 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: 2994-2013 Drug 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.