



Legislation Text

File #: 2678-2019, **Version:** 1

BACKGROUND:

To maintain insurance programs in accordance with the negotiated labor contracts, additional appropriation and funding for COBRA administrative services is necessary. The Human Resources Department requests to modify and increase the existing contract with Chard Snyder, the COBRA program vendor, to provide additional appropriation and funding for the third year of the contract, February 1, 2019 through January 31, 2020, for the City's COBRA program.

Cost estimates were initially based on 2017-18 trust fund expenditures using a two 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. No change is being made to the term of the contract. Due to the increase in utilization of the City's COBRA services, an additional \$5,000.00 is required.

The previous legislation to modify the third contract period was passed via ordinance 0015-2019 and increased by \$7,000.00.

Contract compliance number 31-1239992

FISCAL IMPACT:

To modify and increase the contract with Chard Snyder to establish the maximum obligation liability, and to authorize the additional expenditure of \$5,000.00 for COBRA administrative services from February 1, 2019 through January 31, 2020. This brings the total cost of this contract to \$12,000.00 for 2019. The total obligation under the original contract and all modifications is \$35,000.00. Funding is available within the Employee Benefits Fund, medical subfund for this contract modification.

To authorize the Human Resources Director to modify and increase the existing contract with Chard Snyder to provide all eligible employees COBRA continuation insurance coverage from February 1, 2019 through January 31, 2020; and to authorize the appropriation and expenditure of an additional \$5,000.00 from the Employee Benefits Fund, medical subfund or so much thereof as may be necessary to pay the costs of said contract. (\$5,000.00)

WHEREAS, it is in the best interest of the City of Columbus to provide additional appropriation, modify and increase the existing contract with Chard Snyder to pay the additional contract costs; and

WHEREAS, the contract was previously modified via Ordinance 0015-2019 to extend the term for the third year and increased the amount by \$7,000.00; and

WHEREAS, it is necessary to authorize the additional appropriation and expenditure of up to \$5,000.00 to pay contract costs for this term for COBRA continuation insurance services; and

WHEREAS, no other changes are being made to the contract; and

Now, Therefore,

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

SECTION 1. That from the monies in and from all monies estimated to come into the Employee Benefits Fund 5502, from any and all sources during the 12 months ending January 31, 2020, the following appropriations are hereby authorized and directed: See attachment

SECTION 2. That the Human Resources Director is hereby authorized to modify and increase the existing contract with Chard Snyder to provide COBRA continuation insurance to all eligible employees from February 1, 2019 through January 31, 2020.

SECTION 3. That the expenditure of \$5,000.00, or so much thereof as may be necessary, is necessary to allow sufficient funds to be available for coverage and is hereby authorized to be expended per the accounting codes in the attachment of this ordinance.

SECTION 4. 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 5. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this ordinance shall take effect and be in force from and after the earliest period allowed by law.