



## Legislation Text

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**File #:** 19-1501, **Version:** 1

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**STRATEGIC PRIORITY:** Government Performance and Financial Management

**AGENDA DATE:** October 23, 2019

**COUNCIL DISTRICT(S):** All

**DEPARTMENT:** Office of Procurement Services

**EXECUTIVE:** Elizabeth Reich

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### **SUBJECT**

Authorize Supplemental Agreement No. 3 to the consultant contract with Holmes Murphy & Associates, LLC to provide benefits consulting services and auditing services of medical and pharmacy benefit plans and to extend the term from November 1, 2019 through June 30, 2020 - Not to exceed \$168,750.00, from \$1,125,000.00 to \$1,293,750.00 - Financing: Employee Benefits Fund

### **BACKGROUND**

This consulting contract provides the City with benefits consulting services and auditing services of medical and pharmacy benefit plans. This extension of the contract term will continue to provide the City with assistance in maximizing employee benefit services and to offer advice on options to mitigate costs. The consultant is also responsible for keeping the City's Plan Administrators and City Attorney's Office informed of best practices and advising on any pending legislation that can impact the benefits plan. Additionally, the consultant will perform tasks such as:

- Conduct audits of the medical and pharmacy vendors
- Conduct annual plan evaluations
- Develop funding strategies
- Project plan costs
- Review proposals and provide recommendations
- Conduct benchmark studies and surveys
- Conduct required Governmental Accounting and Standards Board actuarial valuations

The City offers medical, dental, and vision coverage to approximately 22,000 participants. These plans are administered through the Benefits Division of the Human Resources Department.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On November 12, 2014, City Council authorized a three-year service contract, with two, one-year renewal options, to provide benefits consulting services and auditing services of medical and pharmacy benefit plans with Holmes Murphy & Associates by Resolution No. 14-1877.

On September 27, 2017, City Council authorized Supplemental Agreement No. 1 to exercise the first of two, one-year renewal options to the consultant contract with Holmes Murphy & Associates to provide benefits consulting services and auditing services of medical and pharmacy benefit plans by Resolution No. 17-1542.

On December 12, 2018, City Council authorized Supplemental Agreement No. 2 to exercise the second of two, one-year renewal options to the consultant contract with Holmes Murphy & Associates to provide benefits consulting services and auditing services of medical and pharmacy benefit plans by Resolution No. 18-1762.

**FISCAL INFORMATION**

Employee Benefits Fund - \$168,750.00

**M/WBE INFORMATION**

In accordance with the City's Business Inclusion and Development Plan adopted on October 22, 2008, by Resolution No. 08-2826, as amended, the M/WBE participation on this contract is as follows:

<b>Contract Amount</b>	<b>Category</b>	<b>M/WBE Goal</b>	<b>M/WBE %</b>	<b>M/WBE \$</b>
\$168,750.00	Other Services	23.80%	23.82%	\$40,200.00
<ul style="list-style-type: none"><li>• This contract exceeds the M/WBE goal.</li><li>• Supplemental Agreement No. 3 - 10.06% M/WBE participation</li></ul>				

**OWNER**

**Holmes Murphy & Associates, LLC**

Dan Keuogh, President  
Chris Boyd, Vice President  
Ellen Willadsen, Chief Financial Officer  
Chris Nelson, Secretary