



Purchasing Summary

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| EVENT # 4553 | TITLE: Medicare Advantage Plan Benefits | COST: \$2,112,121.00 |
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| TYPE OF PROCUREMENT: Sole Source | ANNUAL CONTRACT <input checked="" type="checkbox"/> ANNUAL MAINTENANCE AGREEMENT <input type="checkbox"/> | ONE TIME PURCHASE <input type="checkbox"/> |
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CONTRACT TERM (IF APPLICABLE)
January 1, 2018 through December 31, 2018

M/WBE (IF APPLICABLE)
N/A

MATRIX (IF APPLICABLE)
N/A

NOTES

Recommend approval to renew an annual contract with Humana Inc. for the group Medicare Advantage Plan to provide group Medicare Advantage Plan for City retirees and their spouses who are Medicare primary. Changes in governmental accounting standards require recognizing the cost of post-employment benefits over the working career of an employee. In order to reduce this liability while maintaining retiree medical benefits, the best solution is a group sponsored fully insured Medicare Advantage Plan. Based upon 100% enrollment, the estimated annual cost for the approximately 748 covered retirees and spouses equals \$2,112,121.00 of which the City will pay on average 52% of the premium. This premium is reflective of an increase of approximately 4.165% from the prior year. This is a sole source because the City's benefits consultant, USI Insurance Services, conducted a market assessment and determined that this is the most cost effective plan. Delivery: As needed. Terms: Net 30 days.

S.S. Humana, Inc. (Atlanta, GA)^(D) \$2,112,121.00

A pre-proposal conference was not conducted as this is an annual contract renewal. (D) Indicates non-local, non-minority owned business. Recommend approval.

- Local Available: No
- MWBE Available: No
- Total Sent: 1
- MWBE Sent: 0
- Total Received: 1
- MWBE Received: 0
- Vendor Federally debarred/suspended: No