

Purchasing Summary

EVENT # 4553	TITLE: Medicare Advantage Plan Benefits	COST: \$1,689,534.00
TYPE OF PROCUREMENT: Sole Source	ANNUAL CONTRACT <input checked="" type="checkbox"/> ANNUAL MAINTENANCE AGREEMENT <input type="checkbox"/>	ONE TIME PURCHASE <input type="checkbox"/>
CONTRACT TERM (IF APPLICABLE) January 1, 2019 through December 31, 2019		
M/WBE (IF APPLICABLE) N/A		
MATRIX (IF APPLICABLE) N/A		
NOTES		
<p>Recommend approval to renew an annual contract for group Medicare Advantage Plan coverage for retirees and their spouses who are Medicare primary with Humana, Inc. 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 750 covered retirees and spouses equals \$1,689,534.00 of which the City will pay on average 52% of the premium. This premium is reflective of a decrease of approximately 20.01% from the prior year. The decrease in premium is due to the discontinuation of the Health Insurer Fee related to the Affordable Care Act for the 2019 year as well as a favorable claims experience.</p> <p>This is a sole source because our current employee 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.</p> <p>S.S. Humana, Inc. (Atlanta, GA)(D) \$1,689,534.00</p> <p>A pre-bid conference was not conducted as this is an annual contract renewal. (D) Indicates non-local, non-DBE business. <u>Recommend approval.</u></p> <p>Local Available: No Total Sent: 1 Total Received: 1 DBE Received: 0 Vendor Federally Debarred/Suspended: No</p>		