RESOLUTION NO.

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A ONE-YEAR AGREEMENT WITH CIGNA FOR STOP LOSS INSURANCE FOR A NOT TO EXCEED AMOUNT OF 110% OF \$1,126,276.00.

WHEREAS, the City issued Request for Proposal (No. 4513-16-RD) for Benefits Consultant Services, at which time the Gehring Group responded and was awarded the contract in July of 2016; and

WHEREAS, the Gehring Group negotiated a renewal with the City's current Third Party Administrator and Stop Loss insurer, Cigna, for medical and prescription drug stop loss insurance; and

WHEREAS, other stand-alone stop loss proposals were not found to be as competitive as the Cigna proposal, as it includes the advantage of providing claims administration services paired with stop loss coverage; and

WHEREAS, Cigna offered the most competitive and advantageous medical and prescription drug stop loss coverage paired with claims administration services; and

WHEREAS, the total combined medical and prescription drug administration fixed costs along with the bundled stop loss insurance results in a two percent rate increase for annual administrative costs and an average five percent increase in the specific and aggregate composite rates for the 2020 plan year; and

WHEREAS, funding for the insurance has been appropriated and exists in account number 558.112006.51900.591990.000000.000.000.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

<u>Section 1</u>: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are incorporated in this Resolution.

<u>Section 2</u>: That it approves and authorizes the execution, by the appropriate City officials, of a contract with Cigna embodying the terms and conditions approved by the City Commission this date in an amount not to exceed 110% of \$1,126,276.00, in a form acceptable to the City Manager and approved as to form and legal sufficiency by the City Attorney.

<u>Section 3</u>: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this \_\_\_\_\_day of \_\_\_\_\_, 2019.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC CITY CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY for the use and reliance of the City of Hollywood, Florida, only.

DOUGLAS R. GONZALES CITY ATTORNEY