RESOLUTION NO.

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A FIVE-YEAR AGREEMENT WITH VISION SERVICE PLAN FOR VISION INSURANCE IN AN ANNUAL AMOUNT NOT TO EXCEED \$289,051.40.

WHEREAS, the City's current vision insurance provider is Vision Service Plan ("VSP"), and its contract expires December 31, 2022; and

WHEREAS, to align current healthcare coverage offerings, the City's benefits consultant, the Gehring Group, issued a Request for Proposals ("RFP") on April 23, 2021, at the same time as other lines of coverage to find the most competitive offer for vision insurance; and

WHEREAS, Aetna, Ameritas Group, Cigna, EyeMed, Humana, Lincoln Financial Group, MetLife, National Vision Administrators ("NVA"), Reliance Standard, Solstice, The Standard, and VSP all provided proposals for vision services; and

WHEREAS, Ameritas Group, Lincoln Financial Group, Reliance Standard, and Solstice were disqualified due to non-competitive pricing; and

WHEREAS, when analyzing vision insurance, many factors are compared including plan design, proposed rates, rate guarantee, and provider network access; and

WHEREAS, carriers who proposed similar plan designs to the City's incumbent, VSP, were NVA and EyeMed, with slight differences in frames and out of network benefits; and

WHERAS, VSP proposed a 15.7% decrease to current rates with a 78.9% network match while NVA and EyeMed's network matches were lower; and

WHEREAS, after careful review, it was recommended the City maintain VSP for vision insurance as they are proposing the strongest network provider match and plan design offering; and

WHEREAS, VSP's offer also includes a \$20.00 increase in the allowances provided to employees and retirees towards their frames, an enhanced Sun Care benefit that allows the frame allowance to be used for non-prescription glasses at participating providers along with a 15.7% decrease in premiums per year over the five-year contract period compared to previous contract terms; and

WHEREAS, the Gehring Group and the City recommend that the City remain with VSP for an annual not to exceed amount of \$289,051.40, which includes a ten percent buffer to allow for fluctuations in cost; and

WHEREAS, the City's voluntary vision insurance program is funded entirely by City employees and retirees without a premium contribution from the City.

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 an agreement with VSP, 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 _____, 2021.

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