



Legislation Details (With Text)

File #: R-2015-318 **Version:** 1 **Name:** Increased Estimated Expenditure - Florida
Type: Resolution **Status:** Passed
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Title: A Resolution Of The City Commission Of The City Of Hollywood, Florida, Approving Increased Estimated Annual Expenditures For Third Party Administration Services For Medical And Dental Plans With Blue Cross Blue Shield Of Florida/Florida Combined Life For The Remainder Of The Current Contract Term, With An Estimated Annual Amount For The Final Year Of The Contract (Ending December 2016) Not To Exceed 110% Of \$1,118,783.20.

Sponsors:

Indexes:

Code sections:

Attachments: 1. BCBS Reso 9 2015 rev1.pdf, 2. BCBS ASA Backup to Reso 9 2015.pdf, 3. BCBS Reso Backup 9 2015.pdf, 4. BIS 15-293.pdf

Date	Ver.	Action By	Action	Result
10/7/2015	1	Regular City Commission Meeting	adopt	Pass

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Approving Increased Estimated Annual Expenditures For Third Party Administration Services For Medical And Dental Plans With Blue Cross Blue Shield Of Florida/Florida Combined Life For The Remainder Of The Current Contract Term, With An Estimated Annual Amount For The Final Year Of The Contract (Ending December 2016) Not To Exceed 110% Of \$1,118,783.20.

Staff Recommends: Approval of the attached Resolution

Explanation:

June 1, 2011, the City Commission passed and adopted Resolution Number R-2011-128, which authorized the appropriate City Officials to execute an Amendment to the then existing agreement between Blue Cross and Blue Shield of Florida, Inc./Florida Combined Life and the City of Hollywood.

When the agreement between the City and Blue Cross and Blue Shield of Florida, Inc./Florida Combined Life was executed, the estimated expenditure for the third party administration and dental insurance was in the amount of \$941,478.00 annually.

The estimate was formulated based on the number of employees and retirees covered under the medical plan only and the established 2011 rates.

The agreement includes an annual escalation of the established 2011 rate, but the total estimated annual expenditure as stated in Resolution Number R-2011-128 did not take into account the escalations.

The number of employees and retirees changes annually, and the annual cost for medical coverage is subject to annual escalation.

The 2015 Per Employee Per Month administrative fee for medical is \$37.20 and \$3.77 for dental and the 2016 Per Employee Per Month administrative fee for medical is \$38.40 and \$3.77 for dental.

The City's original 2011 estimated annual expenditure for both medical and dental has increased by \$144,890.80 for 2015, bringing the total for 2015 to \$1,086,368.80, and \$177,305.20 for 2016, bringing the total for 2016 to \$1,118,783.20, by correctly estimating both medical and dental coverage and the escalation factor.

The City Commission is requested to authorize and approve the expenditure of an additional \$144,890.80 for the current year and \$177,305.20 for the subsequent year and additional amounts for 2015 and 2016 not to exceed 110% of the total estimated annual expenditure for each such year specified in the preceding paragraph to provide funding for third party administration and dental coverage based upon the escalation factor for the remainder of FY15 and FY16.

Funding for this service has been provided in the FY15 and FY16 budgets in Budget Account Numbers #58.1241.00000.590.009199 and #58.1241.00000.590.069198.

Recommended for inclusion on the agenda by:

Wazir A. Ishmael, Ph.D, City Manager

George R. Keller, Jr., Assistant City Manager for Finance & Administration

Tammie L. Hechler, Human Resources Director