

WHEREAS, on June 17, 2015, City Council authorized the second one-year extension to the three-year service contract with UnitedHealthcare Services, Inc. for the period January 1, 2016 through December 31, 2016, for services including: Medical Third-Party Administration services; fully-insured Medicare Advantage HMO, AARP Medicare Supplement, and enhanced Medicare "Part D" prescription drug plans for Medicare eligible retirees and their eligible spouses; fully-insured vision and dental plans; and a Diabetes Prevention and Control Alliance Program, in an amount not to exceed \$6,906,640.00, from \$25,226,559.00 to \$32,133,199.00, by Resolution No. 15-1239; and

WHEREAS, on June 17, 2015, City Council authorized the second one-year extension to the three-year service contract with CVS/Caremark for the period January 1, 2016 through December 31, 2016 to provide Pharmacy Benefits Management services, in an amount not to exceed \$270,000.00, from \$1,070,000.00 to \$1,340,000.00, by Resolution No. 15-1240; and

WHEREAS, on June 22, 2016, City Council authorized a three-year service contract, with two one-year renewal options, with Cigna Health and Life Insurance Company for administrative services related to medical claims adjudication; healthcare provider network; Family Medical Leave Act; COBRA; and flexible spending accounts and related services for the City's employee leave and benefit programs for the period January 1, 2017 through December 31, 2019, in an amount not to exceed \$14,000,000.00, by Resolution No. 16-1114; and

WHEREAS, on June 22, 2016, City Council authorized a three-year service contract, with two one-year renewal options, to prepare for services effective for the period January 1, 2017 through December 31, 2019 with Metropolitan Life Insurance Company for fully-insured dental plan; and Davis Vision, Inc. for fully-insured vision plan by Resolution No. 16-1115; and

WHEREAS, on June 22, 2016, City Council authorized a three-year service contract, with two one-year renewal options, for the period January 1, 2017 through December 31, 2019 with CaremarkPCS Health, LLC for prescription benefit management; with Caremark receiving a \$1.10 administrative fee for each prescription filled, in an amount not to exceed \$990,000.00, by Resolution No. 16-1116; and

WHEREAS, on September 28, 2016, City Council authorized a three-year service contract, with two one-year renewal options with United Healthcare Services, Inc. for fully-insured Medicare Advantage HMO, AARP Medicare Supplement, and enhanced Medicare "Part D" prescription drug plans for Medicare eligible retirees and their eligible spouses for the period January 1, 2017 through December 31, 2019, in an amount not to exceed \$6,804,855.72, by Resolution No. 16-1616; and

WHEREAS, on August 28, 2019, City Council authorized Supplemental Agreement No. 1 to exercise the first of two one-year renewal options to the service contract with Cigna Health and Life Insurance Company for third-party administration of the City's employee health plan for administrative services related to medical claims adjudication; healthcare provider network; COBRA; health savings accounts, flexible spending accounts and related services for the City's self-insured health benefit programs for the period January 1, 2020 through December 31, 2020, in an amount not to exceed \$4,600,000.00; Supplemental Agreement No. 1 to exercise the first of two one-year renewal options to the consultant contract for employee vision insurance with Davis Vision, Inc. for a fully-insured vision plan; and dental benefits with Metropolitan Life Insurance Company for a fully-insured employee dental plan for the period January 1, 2020 through December 31, 2020, (to be paid by employee/retiree payroll and pension deductions); Supplemental Agreement No. 3 to exercise the first of two one-year renewal options to the second amendment to the administrative services contract with CaremarkPCS Health, LLC, for prescription benefit management for the period January 1, 2020 through December 31, 2020, with Caremark receiving a \$1.10 administrative fee for each prescription filled, in an amount not to exceed \$330,000.00; and Supplemental Agreement No. 3 to exercise the first of two one-year renewal options to the service contract for retiree health benefits with United Healthcare Services, Inc. for Medical Third-Party Administration services; fully-insured Medicare PPO plans, AARP Medicare Supplemental, and enhanced Medicare "Part D" prescription drug plans for Medicare eligible retirees and their dependents; and fully-insured vision and dental plans for the period January 1, 2020 through December 31, 2020, in an amount not to exceed \$2,268,285.24, by Resolution No. 19-1275.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Manager is authorized to execute **(1)** a three-year Health and Welfare Benefits and related Services Third Party Administrator Contract, with two one-year renewal options, for health and welfare benefits, disease management, wellness and communications support, pharmacy benefit management services, hospital audit functions, COBRA, Health Savings Account and Flexible Spending Account administration, **(2)** a fully-insured Post-65 Retiree Medicare Advantage-Prescription Drug Coverage Contract; **(3)** a two year application, with one one-year renewal option, for stop loss coverage with Blue Cross Blue Shield of Texas (VC15283) in an amount not to exceed \$57,956,324.02; and **(4)** a three-year service contract, with two one-year renewal options, for a fully insured dental plan with Delta Dental Insurance Company (VS000006690); and **(5)** a three-year service contract, with two one-year renewal options, for a fully insured vision plan with Davis Vision, Inc. (VS0000061613) (to be paid from and in accordance with the contribution rates approved annually by the City Council and subject to annual appropriations and by employee/retiree payroll and pension deductions).

SECTION 1. (continued)

If the service was bid or proposed on an as needed, unit price basis for performance of specified tasks, payment to Blue Cross Blue Shield of Texas, Delta Dental Insurance Company, and Davis Vision, Inc. shall be based only on the amount of the services directed to be performed by the City and properly performed by Blue Cross Blue Shield of Texas, Delta Dental Insurance Company, and Davis Vision, Inc. under the contract, approved as to form by the City Attorney.

SECTION 2. That the Chief Financial Officer is hereby authorized to disburse funds in an amount not to exceed \$57,956,324.02 (in accordance with the contribution rates approved annually by the City Council and subject to annual appropriations) to Blue Cross Blue Shield of Texas (VC15283) for Medical Third-Party Administration services from the Employee Health Benefits Fund, Fund 0260, Department PER, Unit 7906, Object 3071.

SECTION 3. That the Chief Financial Officer is hereby authorized to make employee payroll deductions to reimburse the City to Employee Health Benefits Fund, Fund 0260, Department PER, Unit 7906, Revenue Code 8499, for Medical Third-Party Administration services.

SECTION 4. That the Chief Financial Officer is hereby authorized to disburse funds from the Employee Health Benefits Fund, Fund 0265, Department PER, Unit 7910, Object 355C and 355E to Delta Dental Insurance Company (VS0000006690) for a fully insured dental plan on the behalf of City employees and retirees to be reimbursed through employee/retiree payroll deductions.

SECTION 5. That the Chief Financial Officer is hereby authorized to make employee/retiree payroll deductions to reimburse the City to Employee Health Benefits Fund, Fund 0265, Department PER, Unit 7906, Revenue Code 8499 for fully insured dental plan.

SECTION 6. That the Chief Financial Officer is hereby authorized to disburse funds from the Employee Health Benefits Fund, Fund 0265, Department PER, Unit 5730, Object 355A and 355B to Davis Vision, Inc. (VS0000061613) for fully insured vision plan on the behalf of City employees and retirees to be reimbursed through employee/retiree payroll deductions

SECTION 7. That the Chief Financial Officer is hereby authorized to make employee/retiree payroll deductions to reimburse the City to Employee Health Benefits Fund, Fund 0265, Department PER, Unit 7906, Revenue Code 8499 for fully insured vision plan.

SECTION 8. That the contract with Blue Cross Blue Shield of Texas is designated as Contract No. PER-2020-00012205.

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June 24, 2020

SECTION 9. That the contract with Delta Dental Insurance Company is designated as Contract No. PER-2020-00013750.

SECTION 10. That the contract with Davis Vision, Inc. is designated as Contract No. PER-2020-00013751.

SECTION 11. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.

