



Legislation Text

File #: 210687., Version: 1

Third Amendment to Extend the City's Florida Blue Administrative Services Contract for One Year (B)

The City of Gainesville has an administrative services agreement with Florida Blue for its Group Health Plan. Due to the heavy workload associated with the Workday implementation and the associated configuration changes that would be needed to modify our current health plan structure, it is in the best interest to extend the Florida Blue Administration agreement for one additional year. In addition to allowing more time for our Workday Platform to stabilize, it will allow staff additional time to conduct community builder engagement to get their input on what they would like to see in their health benefit. This was rendered difficult over the past 18 months with the pandemic impacting our ability to engage with community builders and the time commitment made to the Workday implementation. The additional year is being offered at the same rates as 2021 and will have no budgetary impact. The cost per contract is \$27.23/month for individual contracts and 64.92/month for all other tiers.

In addition, it will allow staff to look at ways to utilize what the City is spending on health care and find how we can leverage that spending through plan design to align that spending with the City Commission initiative on creating a more equitable community. The City's health care spending in Plan Year 2021 will approach \$25 million and most of those costs are spent in the local health care delivery market place. Finding innovative ways through benefit design or modeling the solicitation to include carve out services that will encourage private investment in areas of our community that are under represented by repurposing funding already being spent is consistent with the City Commission's Equitable Community Goal.

Strategic Connection:

This item is connected to Goal 5: Best in Class Neighbor Service. Maintain, hire, train and retain professional Community Builders dedicated to serving the Gainesville community.

In addition, this item is connected to Goal 1: Equitable Community by redirecting health care spending to encourage private investment in underserved parts of our community.

The funds necessary for this service are included in the Fiscal Year 2022 Employee Health and Accident Fund. Additionally, the cost per contract is \$27.23/month for individual contracts and 64.92/month for all other tiers. Cost is variable based on actual enrollment and contracts covered under the agreement.

The City Commission authorize the Interim City Manager or their designee to execute the Amendment to the Contract with Florida Blue for Administrative Services extending this for one additional year, as subject to approval by the City Attorney as to form and legality; 2) authorize the issuance of a purchase order in an amount necessary to cover the cost of the services provided.