



CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 6/6/2018

T24838.A1 - Health Benefits Program - ORDINANCE

Agenda Item#:

Summary:

Background:

S83-T24838.A1 - Approve a first amendment to Ordinance No. 2014-987, passed on November 5, 2014, to increase the contract amount from \$2,045,000.00 to \$2,195,000.00 and to add scope of work for OPEB reporting (Other Post-Employment Benefits) Services for the contract (4600012876) between the City of Houston and The Segal Company (Western States), Inc., known as Segal Waters Consulting for the Health Benefits Programs for the Human Resources Department.

Specific Explanation

The Director of Human Resources and the Chief Procurement Officer recommend that City Council approve a first amendment to Ordinance No. 2014-987, passed on November 5, 2014, to increase the contract amount from \$2,045,000.00 to \$2,195,000.00 and to add scope of work for OPEB reporting (Other Post-Employment Benefits) Services for the contract between the City of Houston and The Segal Company (Western States), Inc., known as Segal Waters Consulting for the Health Benefits Programs for the Human Resources Department.

The Initial contract was approved on November 5, 2014 by Ordinance No. 2014-987, for a three-year contract with two one-year options, in the original amount of \$2,045,000.00. Expenditures as June 8, 2018 is \$1,176,485.00. The remaining spending authority is insufficient for the Segal Company to fulfill the task OPEB reporting (Other Post-Employment Benefits) services for the Human Resources Department.

The scope of service requires the contractor to provide services for various projects to manage program costs, as well as specific projects attributed to health benefits such as:

- Preparation and analysis of Request for Proposals
- Program/vendor Management and ongoing consulting for the Health Benefits Delivery system
- Actuarial Valuation
- Dependent eligibility Audit
- Procedures audits ensure timely accurate claims processing and contract compliance and auditable plans
- Member satisfaction surveys

MWBE Subcontracting:

The contract was awarded with a 6.05% goal for MWBE participation, and The Segal Company, Inc. is currently achieving 5.63%.

Fiscal Note:

Funding for this item is included in the FY2018 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policy Ordinance No: 2014-1078.


Jerry Adams, Chief Procurement Officer
Finance/Strategic Procurement Division

Department Approval Authority

Prior Council Action:

Ordinance No. 2014-987; Passed 11/5/2014

Amount of Funding:

\$150,000.00 - Health Benefits Fund (9000)

Contact Information:

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ATTACHMENTS:

Description	Type
<u>COH - Segal Executed Contract Amendment</u>	Contract/Exhibit
<u>Previous Signed Cover Sheet</u>	Signed Cover sheet
<u>Ordinance 2014-984</u>	Ordinance/Resolution/Motion
<u>Department Signed Cover Sheet</u>	Backup Material
<u>Certification of Funds</u>	Financial Information
<u>Delinquent Tax Report</u>	Backup Material