



**TO:** Honorable Mayor & Members of the  
Fort Lauderdale City Commission

**FROM:** Lee R. Feldman, ICMA-CM, City Manager

**DATE:** May 20, 2014

**TITLE:** Motion to approve agreements for a third party administrator for the City's self-funded group health and wellness program – Contract 115-10759

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**Recommendation**

It is recommended that the City Commission approve three agreements (Cigna's Administrative Services Only (ASO) agreement, City Agreement and Business Associate Agreement), in substantially the form attached, for a thirty-nine month contract for a third party administrator for the City's self-funded group health and wellness program to Connecticut General Life Insurance Company. The City Commission is further requested to authorize the City Manager to approve two, one-year renewal options, contingent upon appropriation of funds.

**Background**

At its August 23, 2011 meeting, the City Commission approved the recommendation to award a thirty-nine month contract for third party administrative services for the City's self-funded group health and wellness program (CAM 11-1154, Pur-25). As of January 1, 2014, the vision portion is no longer part of this agreement. Approval is now requested for the agreement as documented in the attached exhibits. This approval would allow the continued use of Cigna as the City's third party administrator.

**Resource Impact**

There is an annual fiscal impact to the City in the amount of approximately \$844,856. For FY 2014, \$492,833 has already been spent, leaving a balance of \$352,023 for the remainder of the year.

**Funds available as of May 1, 2014**

ACCOUNT NUMBER	INDEX NAME (Program)	OBJECT CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Object Code)	AVAILABLE BALANCE (Object Code)	PURCHASE AMOUNT
545-INS220101-5130	Self-Insured Health Benefits	Non-Operating Expenses/ Health Insurance Administration	\$1,800,888	\$779,665	\$844,856
<b>PURCHASE TOTAL ►</b>					<b>\$844,856</b>

**Strategic Connections:**

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 12: Be a leading government organization, managing our resources wisely and sustainably.
- Objective 1: Ensure sound fiscal management.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are United*.

**Attachments:**

- Exhibit 1 – Cigna’s ASO Agreement
- Exhibit 2 – City Agreement
- Exhibit 3 – Business Associate Agreement

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