



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#17-0171

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

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

DATE: February 7, 2017

TITLE: Motion to Approve Contract and Business Associate Agreement for
Employee Health Center Professional Medical Services – Marathon
Health, LLC – \$3,409,549 (three-year total)

Recommendation

It is recommended that the City Commission approve a three-year contract and Business Associate Agreement, in substantially the forms attached, with Marathon Health, LLC (Marathon) in the estimated amount of \$3,409,549 for employee health center professional medical services; and authorize the City Manager, or designee, to approve three one-year renewal options, contingent upon appropriation of funds, and to exercise additional staffing options, if and when necessary.

Background

Marathon began providing professional medical services at the City's health center on May 22, 2013 under a contract that will expire April 3, 2017. Marathon was selected as the result of an extensive Request for Proposal process that scrutinized nine different proposals. Marathon provides accessible primary, preventative, acute care, wellness, disease management, health coaching, and a limited generic formulary, among other services to City employees and family members enrolled in any of the City's health plans.

The employee and dependent utilization rate of the health center has grown dramatically since its inception. As of November 2016, 63% of employees and 28% of dependents regularly utilize the health center for primary care services. In addition, 64% of high-risk employees and 46% of high-risk dependents are engaged with the medical staff to remediate identified health risks. Employees and dependents rate the health center very favorably with three consecutive years at 98% overall satisfaction. Current information shows that 62% of the target populations with risk factors or chronic conditions have made measureable clinical improvements.

The proposal for continued services offered by Marathon provides for a three-year contract term and three one-year renewal options. Marathon proposes no increase in fees for the first year and a two percent increase for each of the following five years. In addition, Marathon has provided pricing for additional staffing at the health center due to

a recent increase in demand for services. The additional staffing includes a part-time nurse practitioner, a part-time medical assistant, and a part-time dietician. The pricing for these positions is included in the overall fee noted above. Details of the expenses are included in Exhibit 1.

Pursuant to Section 2-172(a) (8) of the Code of Ordinances of the City of Fort Lauderdale, Florida, provisions of Division 2. – Purchasing shall not apply to professional medical services.

Resource Impact

There will be a fiscal impact to the City in the amount of \$588,836 for FY 2017.

<i>Funds available as of January 26, 2017</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
545-INS220101-5199	Self-Insured Health Benefits	Non-Oper Exp/ Other Self Ins Claims	\$20,427,207	\$14,891,507	\$588,836
TOTAL AMOUNT ►					\$588,836

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 – Marathon Agreement

Exhibit 2 – Marathon Agreement, Exhibit A

Exhibit 3 – Marathon Agreement, Exhibit B

Exhibit 4 – Business Associate Agreement

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