

M Management Committee
Meeting date: September 9, 2009

ADVISORY INFORMATION

Date: September 3, 2009
Subject: Authorization to Award Health Insurance Contract
District(s), Member(s): All
Policy/Legal Reference: None
Staff Prepared/Presented: Sandi Blaeser, Assistant HR Director, Employee Relations – (651) 602-1582
Division/Department: Human Resources

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to negotiate and enter into a contract for the fully insured medical plan for the period of January 1, 2010, through December 31, 2010.

Issues/Background

In June 2009, the Council issued a request for proposal (RFP) for medical coverage. The recently formed Labor Management Committee, made up of representatives from Metropolitan Council HR Department and representatives from each union, were involved in reviewing the costs and trends of our current plans. The Labor Management Committee provided input for the RFP scope. The RFP requested quotes for not only the current plans but also several variations on the plans.

The RFP included the following evaluation criteria in order of importance.

- *Administrative* - Ability to administer negotiated benefits as proposed including plan design and claims payments.
- *Cost* - Provides competitive premium rates, multi-year guarantees, rate caps, etc.
- *Care Management and Wellness* - Quality of health management programs available
- *Network Management and Access* - Ability to meet the provider access requirements and minimize disruption
- *Communication and Tools* - Written communication tools, phone and web technology to assist members and employees.

An evaluation panel of Council staff and union representatives (HR, Finance, ES, and Transit, ATU and MANA) reviewed the two RFP responses (HealthPartners and Medica). The panel has reached consensus and is currently involved in rate negotiation. We will present our recommendations at the meeting on Wednesday.