

Resolution authorizing the negotiation and execution of four, five-year service agreements for the third-party administration of Medical, Dental, and COBRA with Blue Cross Blue Shield of Texas in an estimated total annual amount up to \$1,750,140; Pharmacy Benefit Management with Caremark PCS Health, LLC. in an estimated amount up to \$11,121 annually; Life & Accidental Death and Dismemberment with Blue Cross Blue Shield of Texas in an estimated amount up to \$97,464 annually; and, Long-Term Disability with Blue Cross Blue Shield of Texas in an estimated amount up to \$106,451 annually, for a total estimated amount up to \$1,965,176 annually for the City's self-funded employee health benefits, with an estimated five-year total value in an amount up to \$9,825,880.

WHEREAS, the City's health benefits care plans, administered by the Human Resources Department, provide eligible active employees, retirees, and their eligible spouses and dependents the choice to elect the City's self-funded employee health benefit plans;

WHEREAS, with the assistance of the City's benefit consultant, HUB International Insurance Services, a Request for Proposals to provide third-party administration of the City's self-funded employee health benefit plans was advertised and issued on March 27, 2023;

WHEREAS, an evaluation team composed of City staff and the consultant reviewed the responses and unanimously recommends that contracts providing the best value to the City be offered to Blue Cross Blue Shield of Texas ("BCBSTX") for medical, dental, life insurance, accidental death and dismemberment (AD&D), and long-term disability claims; and to Caremark PCS Health ("Caremark") for pharmacy claims, each of the contracts having a five-year term; and

WHEREAS, the City Council finds that contract awards to BCBSTX and Caremark provide the best value to the City for third-party administration services for the employee health benefit plans.

Now, therefore, be it resolved by the City Council of the City of Corpus Christi, Texas:

Section 1. The City Manager, or his designee ("City Manager"), is authorized to negotiate and execute three separate five-year contracts with BCBSTX for third-party administration of the City's employee health benefit plans as follows: medical, dental, and COBRA for an estimated annual amount of \$1,750,140 (five years: \$8,750,700); basic life and AD&D for an estimated annual amount of \$97,464 (five years: \$487,320); and long-term disability for an estimated annual amount of \$106,451 (five years: \$532,255), with each contract beginning October 1, 2023, subject to budget approval.

Section 2. The City Manager is authorized to negotiate and execute a five-year contract with Caremark PCS Health, LLC, for third-party administration of the City's pharmacy benefit plan for an estimated annual amount of \$11,121 (five years: \$55,605), with the contract beginning October 1, 2023, subject to budget approval.

PASSED AND APPROVED on the _____ day of _____, 2023:

Paulette M. Guajardo _____

Roland Barrera _____

Sylvia Campos _____

Gil Hernandez _____

Michael Hunter _____

Michael T. Hunter _____

Jim Klein _____

Mike Pusley _____

Everett Roy _____

Dan Suckley _____

ATTEST:

CITY OF CORPUS CHRISTI

Rebecca Huerta
City Secretary

Paulette M. Guajardo
Mayor