



## **AGENDA MEMORANDUM**

Future Item for the City Council Meeting of April 12, 2016  
Action Item for the City Council Meeting of April 19, 2016

**DATE:** April 12, 2016

**TO:** Ronald L. Olson, City Manager

**FROM:** Yasmine Chapman, Director of Human Resources  
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### **Employer Sponsored Wellness Clinic Service Agreement**

#### **CAPTION:**

Resolution authorizing the City Manager or designee to negotiate and execute a service agreement with Concentra Health Services, Inc., to provide management and operation of the City's employer-sponsored Wellness Clinic for a two-year term, with up to three one-year extensions.

#### **PURPOSE:**

Approval to execute a contract with the recommended Employer Sponsored Wellness Clinic proposer.

#### **BACKGROUND AND FINDINGS:**

In January 2016, The City's Human Resources – Benefits Division began the process of creating a Request for Proposal (RFP) for an Employer-sponsored Wellness Clinic Event No. 103. With the assistance of the City's Benefit Consultant, Randy McGraw for HUB International Insurance Services, and a Senior Buyer of the City's Purchasing Division, the RFP was advertised and issued on February 22, 2016. The RFP was advertised, posted on the City's Supplier Portal and issued.

An evaluation team comprised of Human Resource Department staff and consultant, reviewed the proposals and scored each according to the criteria below. The consultant participated in an advisory capacity and did not participate in scoring the proposals.

Proposals were evaluated across three major criteria: profile qualifications, technical solution, and fee proposal. The team evaluated five proposals based on the following criteria and weighting scale:

Proposer's Profile and Qualifications - 30%  
Technical Solution - 30%  
Fee Proposal - 40%

The team held evaluation meetings on March 16, 2016 and selected two finalists to make best and final offers. On March 23, 2016, best and final offers were received and scored from the top two proposers: Concentra Health Services Inc. and IMWELL Health Services. The evaluation team was unanimous in its recommendation that a contract award be offered to Concentra Health System, Inc. The term of the contract will be for two years, with an option to extend for up to three additional one-year terms.

The total estimated cost for the initial year of the contract with Concentra is \$ 604,860 plus a variable pass through cost of \$103,000. The estimated cost projections reflect an increase of \$79,360 with the recommended proposer.

This service will be used by the Human Resources Department to provide primary care and wellness services to eligible active employees, retirees and their eligible dependents and/or surviving spouses. We are seeking approval to execute a contract for the City's Employer-Sponsored Wellness Clinic.

**ALTERNATIVES:**

N/A

**OTHER CONSIDERATIONS:**

N/A

**CONFORMITY TO CITY POLICY:**

This purchase conforms to the City's purchasing policies and procedures along with the State statutes regulating procurement.

**EMERGENCY / NON-EMERGENCY:**

N/A

**DEPARTMENTAL CLEARANCES:**

Human Resources Department

**FINANCIAL IMPACT:**

☒ Operating

☐ Revenue

☐ Capital

☐ Not applicable

<b>Fiscal Year: 2015-2016</b>	<b>Project to Date Expenditures (CIP only)</b>	<b>Current Year</b>	<b>Future Years</b>	<b>TOTALS</b>
Line Item Budget		\$709,151.00	\$1,110,958.00	\$1,820,109.00
Encumbered / Expended Amount		\$374,337.00	\$0	\$374,337.00
This item		\$275,620.00	\$1,110,958.00	\$1,386,578.00
BALANCE		\$59,194	\$0	\$59,194

Fund(s): Other Employee, Wellness Clinic and Wellness Program

**RECOMMENDATION:**

Staff recommends approval of the resolution

**LIST OF SUPPORTING DOCUMENTS:**

Service Agreement- Employer Sponsored Wellness Clinic Resolution