

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**DEPARTMENT:** Office of Management & Budget/Insurance & Benefits

**AGENDA DATE:** April 13, 2010

**CONTACT PERSON/PHONE:** David Almonte, 541-4350  
Carmen Arrieta-Candelaria, CFO, 541-4293

EA

**DISTRICT(S) AFFECTED:** All

**SUBJECT:**

Approve an extension to the contract with the Hay Group for one year (April 16, 2010-April 15, 2011) as per RFP2007-064 for an amount not to exceed \$80,000.00.

**BACKGROUND / DISCUSSION:**

The Hay Group has provided benefit consulting services for the City of El Paso since April 2007. During this time they have provided the following:

- RFP development and analysis for the deferred compensation program and ancillary benefits (dental, vision, life, disability).
- Ancillary vendor management and pricing negotiations
- Assessing the impact of plan design changes and developing long-term strategies to reduce benefit costs while providing various medical plan design options.
- Advising the City with respect to market competitiveness, best practices, and emerging trends in plan design
- Providing regulatory and compliance assistance with respect to State and Federal compliance appropriateness of SPD language, and specific issues that arise with regard to current legislative issues.
- Assist with resolving administrative issues which are more difficult or require legal interpretation
- Analyze claims data and provide projections
- GASB 45 valuation

During this coming year, the Hay Group's services will include assessing the impact and advising the City on the Patient Protection and Affordable Care Act, restatement of the deferred compensation plan documents and development and analysis of stop loss request for proposal.

**PRIOR COUNCIL ACTION:**

Council awarded benefit consultant services to the Hay Group under RFP2007-064 in April 2007 for an initial three year period with two one-year extensions. This is the first of the one-year extensions.

**AMOUNT AND SOURCE OF FUNDING:**

Health Benefit Fund, 04100249-502115-45121

**BOARD / COMMISSION ACTION:** N/A

\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:** \_\_\_\_\_

**APPROVED FOR AGENDA:**

**CITY MANGER:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**PROJECT FORM  
FINANCIAL SERVICES DEPARTMENT  
PURCHASING DIVISION**

DATE: March 31, 2010

TO: Municipal Clerk

FROM: Carmen Arrieta-Candelaria  
CFO, ext. 4293

Michael Plum  
Admin. Analyst, ext. 4113

*mm*

Please place the following item on the **CONSENT** Agenda for the Council Meeting of Tuesday, **April 13, 2010**.

Item should read as follows:

Request that the Purchasing Manager of Financial Services, Purchasing Division, be authorized to exercise the City's option to extend current Contract 2007-064R, Benefit Consulting Services with the Hay Group Inc. for one (1) additional year pursuant to the provisions of an award approved by the City Council on April 17, 2007. Contract period will be from April 16, 2010 to April 15, 2011.

Department:	OMB-Insurance and Benefits Division
Option:	One [of Two]
Estimated Amount:	\$80,000.00 (Total for one (1) year extension)
Funds Source:	Health Benefit Fund
District (s):	All

---

Municipal Clerk's Use

ITEM NO. \_\_\_\_\_

**MOTION**  
**APRIL 17, 2007**

Motion made, seconded, and unanimously carried to **AWARD** Solicitation No. 2007-064R (Benefit Consulting Services) to Hay Group, Inc. for a total estimated award of \$192,000.00.

Department:	OMB/Insurance
Award to:	Hay Group, Inc. Dallas, TX
Item(s):	All
Option:	Two years, one year at a time
Account No.:	04100248 – 01101 - 502215
Funding Source:	Operating Account, Health Benefit Fund
Total Estimated Award:	\$192,000.00
Districts:	All

The Departments of Financial Services and OMB/Insurance recommend award as indicated. Review Committee based on evaluation factors established for this procurement, recommend award to Hay Group, Inc.

[Financial Services, Terrence Freiburg, (915) 541-4313]  
[OMB/Insurance & Benefits, David Almonte, (915) 541-4777]

Richarda Duffy Momsen, City Clerk

6B