



CITY OF ALBUQUERQUE
Albuquerque, New Mexico
Office of the Mayor

EC-19-372

Mayor Timothy M. Keller

INTER-OFFICE MEMORANDUM

March 21, 2019

TO: Klarissa J. Peña, President, City Council

FROM: Timothy M. Keller 

SUBJECT: Mayor's Recommendation of Award: RFP No. P2019000040, "Fully Insured Group Medical/RX Insurance, Fully Insured Group Medical Only, and/or Self-Funded Medical Insurance"

The City of Albuquerque's Human Resources, Insurance and Benefits Division in conjunction with the Department of Finance, Purchasing Division, issued the RFP for Fully Insured Group Medical/RX Insurance, Fully Insured Group Medical Only, and/or Self-Funded Medical Insurance.

The RFP was posted on the Purchasing E-Procurement, Sicomm.net website on November 8, 2018 and advertised in the Albuquerque Journal on November 12, 2018.


The City received four (4) responses to this solicitation. The ad hoc evaluation committee evaluated and scored the proposals received in accordance with the evaluation criteria published in the RFP. After thoroughly reviewing and scoring all the proposals. Presbyterian Health Plan, Inc. submitted the highest ranked proposal earning a score of 3770 points. The ad hoc committee found Presbyterian Health Plan, Inc. to be both responsive and qualified and recommends an award to Presbyterian Health Plan, Inc.

I concur with this recommendation.

The City of Albuquerque's Human Resources, Insurance and Benefits Division will manage this contract.

Mayor's Recommendation of Award (ROA) for RFP No. P2019000040, "Fully Insured Group Medical/RX Insurance, Fully Insured Group Medical Only, and/or Self-Funded Medical Insurance"

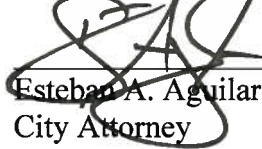
Approved:



Sarita Nair
Chief Administrative Officer

4/11/19
Date

Approved as to Legal Form:

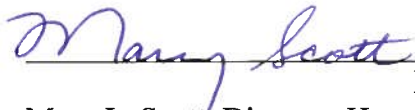


Esteban A. Aguilar, Jr.
City Attorney

3-28-19
Date



Recommended:



Date
Mary L. Scott, Director, Human Resources

3/27/19

Cover Analysis

1. What is it?

Approval of recommendation for the award of “Fully Insured Group Medical/Rx Insurance, Fully Insured Group Medical Only, and/or Self-Funded Medical Insurance” Request For Proposal. The recommendation is to award as Self-Funded Medical Insurance.

2. What will this piece of legislation do?

Approve the negotiation and execution of the contract with the recommended Third Party Administrator to administer the City’s Self-Funded Medical Plan.

3. Why is this project needed?

This project is required to provide the Medical Benefits Program to the employees and families of the City of Albuquerque and Participating Entities covering approximately 18,000 members.

4. How much will it cost and what is the funding source?

Under the new contract the Human Resources Department will contract with an Third Party Administrator to provide Medical Benefits within the Medical Benefits Program. In FY20 it is estimated that the Administrative Service Only (ASO), Medical Claims, Gym Benefits and Mobile Health Clinic to be approximately \$63.7 million. The fund will bring in revenues to cover the projected expense.

The funding source is an internal service fund for medical benefits.

5. Is there a revenue source associated with this Plan? If so, what level of income is projected?

The Self-Funded Health Fund will maintain revenues by charging the participating employees and their dependents a sufficient amount to cover part of the projected costs.

FISCAL IMPACT ANALYSIS

TITLE: Mayor's Recommendation of Award: RFP No. P2019000040, "Fully Insured Group Medical/RX Insurance, Fully Insured Group Medical Only, and/or Self-Funded Medical Insurance"

R: O:
FUND: 710

DEPT: Human Resources

- No measurable fiscal impact is anticipated, i.e., no impact on fund balance over and above existing appropriations.
- (If Applicable) The estimated fiscal impact (defined as impact over and above existing appropriations) of this legislation is as follows:

	2019	Fiscal Years 2020	2021	Total
Base Salary/Wages				-
Fringe Benefits at	-	-	-	-
Subtotal Personnel	-	-	-	-
Operating Expenses		63,743,729	5,099,498	68,843,227
Property		-	-	-
Indirect Costs	-	-	-	-
Total Expenses	\$ -	\$ 63,743,729	\$ 5,099,498	\$ 68,843,227
<input type="checkbox"/> Estimated revenues not affected				
<input checked="" type="checkbox"/> Estimated revenue impact		63,743,729	5,099,498	68,843,227
Total Revenue	\$ -	\$ 63,743,729	\$ 5,099,498	\$ 68,843,227

These estimates do not include any adjustment for inflation.

* Range if not easily quantifiable.

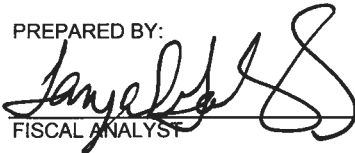
Number of Positions created

COMMENTS: The Human Resources Department will contract with a Third Party Administrator to provide the Medical Benefit within the Medical Benefits Program. FY20 it is estimated that the Administrative Service Only (ASO), Medical Claims, Gym Benefits and Mobile Health Clinic to be \$63.7 million. The fund will bring in revenues to cover the projected expense. In FY21, there is an estimated increase in services and medical claims of approximately 8%.

COMMENTS ON NON-MONETARY IMPACTS TO COMMUNITY/CITY GOVERNMENT:

PREPARED BY:

APPROVED:


FISCAL ANALYST


DIRECTOR (date) 3/27/19

REVIEWED BY:


EXECUTIVE BUDGET ANALYST


BUDGET OFFICER (date) 3/27/19


CITY ECONOMIST



City of Albuquerque
Department of Finance and Administrative Services

Tim Keller, Mayor

Interoffice Memorandum

Date: February 8, 2019

TO: Sarita Nair, Chief Administrative Officer
FROM: Mary Scott, Director, Department of Human Resources
SUBJECT: Recommendation of Award: RFP No. P2019000040, "Fully Insured Group Medical/RX Insurance, Fully Insured Group Medical Only, and/or Self-Funded Medical Insurance"

The City of Albuquerque Department of Human Resources, Insurance and Benefits Division, in conjunction with Department of Finance and Administrative Services, Purchasing Division, issued the subject solicitation.

The solicitation was posted on the Purchasing E-Procurement, Sicomm.net website and advertised in the Albuquerque Journal. The City received four (4) responsive offers for evaluation.

The ad hoc evaluation committee evaluated and scored the responses, in accordance with the evaluation criteria published in the RFP and recommends award of contract to Presbyterian Health Plan.

Listed below are each respondent's Total Composite Score:

Table with 2 columns: Offeror and Total Composite Score. Rows include Presbyterian Health Plan, Inc. (3770), United Health Care (UMR) (3359), Blue Cross Blue Shield of NM (3210), and True Health New Mexico (2615).

Approved:

Signature of Sarita Nair and date 3/5/19
Sarita Nair (Date)
Chief Administrative Officer

Attachments: Composite Score Sheet
Campaign Reports

Original: Purchasing P2019000040
KR

COMPOSITE SCORE SHEET - P2019000040

“Fully Insured Group Medical/RX Insurance, Fully Insured Group Medical Only, and/or Self-Funded Medical Insurance”

Evaluation Factors	Blue Cross Blue Shield of NM Score	Presbyterian Health Plan Score	True Health Score	UMR Score
Experience and qualifications of the Offeror and personnel as shown on staff resumes to perform tasks described in Part 3, Scope of Services. (Up to 200 pts)				
Evaluator #1				
Evaluator #2	190	190	50	190
Evaluator #3	125	200	75	190
Evaluator #4	185	190	145	185
Total for this Section	125	150	150	150
	625	730	420	715
Adequacy of proposed plan design, utilization management, disease management and wellness programs to be utilized by the Offeror. (Up to 200 pts)				
Evaluator #1				
Evaluator #2	180	190	100	180
Evaluator #3	130	190	100	150
Evaluator #4	180	190	150	190
Total for this Section	150	200	150	200
	640	770	500	720
The Offeror's demonstrated capabilities, general approach and plans to meet the requirements of the RFP. (Up to 400 pts)				
Evaluator #1				
Evaluator #2	325	380	250	350
Evaluator #3	200	390	200	320
Evaluator #4	370	390	325	370
Total for this Section	250	350	180	300
	1145	1510	955	1340
TOTAL for Technical	2410	3010	1875	2775

	Blue Cross Blue Shield of NM	Presbyterian Health Plan	True Health	UMR
Evaluation Factors	Score	Score	Score	Score
Cost Proposal – The costs proposed by the Contractor as described in Section 2.2 of this RFP to perform the tasks listed in Part 3, Scope of Services. The evaluation of this section will occur after the technical evaluation. (Up to 200 pts)				
Evaluator #1	200	190	185	146
Evaluator #2	200	190	185	146
Evaluator #3	200	190	185	146
Evaluator #4	200	190	185	146
Total for this Section	800	760	740	584
TOTAL	3210	3770	2615	3359

Campaign Contributors Report

Friday, February 8, 2019

Page 1 of ?

For the period of Feb 8, 2017 to Feb 8, 2019

Prompt Values Entered: NOTHING SELECTED, Presbyterian Health

CONTRIBUTOR NAME: PRESBYTERIAN HEALTHCARE SERVICES ,		
CANDIDATE OR COMMITTEE	DATE ADDED	CONTRIBUTION AMOUNT
FORWARD ALBUQUERQUE	09/22/2017	\$5000.00
PRESBYTERIAN HEALTHCARE SERVICES ,		\$5000.00

This report was created with the most current campaign contribution data provided by the City Clerk's Office (and the Information Systems Division) last updated on Dec 28, 2017

Campaign Contributors Report

Friday, February 8, 2019

Page 1 of ?

For the period of Feb 8, 2017 to Feb 8, 2019

Prompt Values Entered: NOTHING SELECTED, True Health

No Records Found

This report was created with the most current campaign contribution data provided by the City Clerk's Office (and the Information Systems Division) last updated on Dec 28, 2017
