City of Fort Worth, Texas

Mayor and Council Communication

DATE: 09/26/23 **M&C FILE NUMBER**: M&C 23-0795

LOG NAME: 13P ILA FORT BEND ISD, SURGERY PLUS CONTRACT EXTENSION CH HR

SUBJECT

(ALL) Authorize Execution of an Agreement with Employer Direct Healthcare, LLC for SurgeryPlus Services in an Annual Amount Up to \$276,000.00 and Authorize a One-Year Renewal Option for the Same Annual Amount Using an Interlocal Agreement with the Fort Bend Independent School District for the Human Resources Department

RECOMMENDATION:

It is recommended that the City Council authorize execution of an agreement with Employer Direct Healthcare, LLC for SurgeryPlus services in an annual amount up to \$276,000.00 and authorize a one-year renewal option for the same annual amount using an Interlocal Agreement with the Fort Bend Independent School District for the Human Resources Department.

DISCUSSION:

In August of 2023, the Human Resources Department approached the Purchasing Division to find a new agreement with Employer Direct Healthcare, LLC, for SurgeryPlus Services. These services will be utilized to continue providing supplemental benefits for non-emergent surgeries for City of Fort Worth employees, non-Medicare eligible retirees, and their dependents.

State law provides that a local government purchasing an item under an Interlocal Purchasing Agreement satisfies state laws requiring that the local government seek competitive bids for purchase of the item. On May 14, 2020, the Fort Bend Independent School District processed bid 20-099JB and received two (2) responses. An evaluation team scored the proposal and awarded the agreement to Employer Direct Healthcare, LLC. The contract has a term through December 31, 2023, with the right to renew the contract for two (2) successive additional one-year periods through December 31, 2025.

DVIN-BE: A Business Goal is not assigned when purchasing from an approved purchasing cooperative or public entity.

Christopher Ha

Agreement Terms: Upon City council approval, the Agreement will begin on January 1, 2024, and end on December 31, 2024, so long as the underlying cooperative is renewed. The Agreement may be renewed for one additional one-year term, so long as the underlying cooperative is renewed.

Administrative Change Orders: An administrative change order or increase may be made by the City Manager or his designee up to the amount allowed by relevant Law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and adoption of the Fiscal Year 2024 Budget by the City Council, funds will be available in the Fiscal Year 2024 operating budget, as appropriated, in the Group Health Insurance and Retiree Healthcare Trust Funds. Prior to an expenditure being incurred, the Human Resources Department has the responsibility to validate the availability of funds.

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Submitted for City Manager's Office by:Reginald Zeno8517Jesica McEachern5804Originating Business Unit Head:Reginald Zeno8517Dianna Giordano7783Additional Information Contact:Jo Ann Gunn8525