

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 06/25/24 M&C FILE NUMBER: M&C 24-0549

LOG NAME: 14EMPLOYERDIRECTHEALTHCARE2024

SUBJECT

(ALL) Authorize Execution of an Agreement with Employer Direct Healthcare, LLC for SurgeryPlus Services in an Initial Annual Amount Up to \$300,000.00 and Authorize Four One-Year Renewal Options for the Same Annual Amount Using an Interlocal Agreement with the City of Mesquite 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 \$300,000.00 and authorize four one-year renewal options for the same annual amount using an Interlocal Agreement with the City of Mesquite for the Human Resources Department.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to seek authorization from the City Council to authorize the execution of an agreement with Employer Direct Healthcare, LLC for SurgeryPlus services. These services will be used to continue providing supplemental benefits for non-emergent surgeries for City of Fort Worth employees, non-medicare eligible retirees and their dependents. The agreement will replace the current Amendment Number Four with Employer Direct Healthcare, LLC set to terminate on June 30, 2024. The interlocal agreement with the City of Mesquite offers all of the SurgeryPlus services that the City requires.

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. In December of 2023, the City of Mesquite processed bid 2024-046 and received one (1) response. An evaluation team scored the proposal and awarded the agreement to Employer Direct Healthcare, LLC. The contract has a term through December 31, 2024 with the right to renew the contract for four (4) successive additional one-year periods through December 31, 2028.

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

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

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 funds are available in the current operating budget, as previously appropriated, and upon adoption of the Fiscal Year 2025 Budget by the City Council, funds will be available in the Fiscal Year 2025 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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Additional Information Contact: