



MEMORANDUM

To: Mayor and City Council

From: Vivyon V. Bowman, Director of Administration and Human Resources

Date: October 18, 2016

Reference: Approval of Consulting Services Contract for Holmes Murphy and Associates

2030: Top Quality City Workforce

Introduction:

Please find the attached contract for consulting services and other related benefit/wellness programs with Holmes Murphy and Associates as reviewed and recommended by the Management Insurance Committee. The total contract for consulting services and related benefit programs is \$105,000.00 with an effective date of November 1, 2016.

Analysis:

As health care costs continue to rise, and legislative and economic changes alter we know our strategies for the future of our healthcare programs need to ensure we continue to have a laser-focus cost management, excellent vendor selection/management, sound plan design and effective cost sharing tactics. We continue to find ways of addressing the health, lifestyle choices and productivity of our largest investment, our employees.

Staff feels that we have selected one of the top employee benefits consulting firms in our area in Holmes Murphy and Associates and look forward to our continued partnership to find the solution needed.

About Holmes Murphy

Founded in 1932, Holmes Murphy & Associates, an independent insurance brokerage, is ranked 26 among America's top 100 brokers. Holmes Murphy has offices in Des Moines, Davenport and Cedar Rapids, Iowa; Dallas, Texas; Denver, Colo.; Kansas City, Kan.; Omaha, Neb.; Madison, Wis.; Peoria, Ill.; Oklahoma City, Okla.; Scottsdale, Ariz.; and Sioux Falls, S.D. Holmes Murphy serves business and industry leaders throughout the Midwest and across the nation in the areas of property casualty insurance, employee benefits, captive insurance, risk management and loss control.

The following is an outline of programs and services that Holmes Murphy will assist and/or provide advice to the management team:

- Medical and Dental Plan Design
- Stop Loss Reinsurance
- Group Medical, Dental, Vision
- Wellness
- Group Life, AD&D, Dependent Life
- Voluntary Life for Employees and Dependents
- Health Reimbursement Accounts
- Section 125 Administration
- Long-Term Disability
- Patient Advocate Program
- Voluntary Vision
- Employee Assistance Program
- COBRA Notification
- Other Voluntary Benefits

Additional services include open enrollment management, education, communication, monthly strategy meetings. Another important part of the strategy of partnering with Holmes Murphy is gaining access to one of their subsidiary companies ACAP Health. Todd Whitthorne (Coppell resident) is the president of ACAP Health which has the focus of finding and creating programs that have a measurable impact on both the health of employees and the healthcare spending on those employees. One of the main points stressed by ACAP is any employee program recommend must demonstrate improved clinical results.

As mentioned in the previous presentation regarding the current challenges that the organization is experiencing with our claims expense, staff is hopeful that the decision to partner with Holmes Murphy will benefit the organization from a health/wellness perspective as well as provided the necessary assistance to ensure that the City is evaluating our various programs and making the appropriate decisions for our employees and the use tax payer's dollars.

Legal Review:

The attached contract has been previously reviewed by our City Attorney's Office.

Fiscal Impact:

The cost for this contract is budgeted in the City's Medical Self Insurance fund.

Recommendation:

The city staff recommends the Mayor and City Council approval of the benefits consulting service renewal agreement with Holmes Murphy and Associates for the services outlined above.