

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE AGREEMENTS WITH ANTHEM BLUE CROSS FOR MEDICAL INSURANCE FOR CITY OF SAN JOSE EMPLOYEES, RETIREES, AND THEIR DEPENDENTS FOR THE PERIOD OF JANUARY 1, 2020 THROUGH DECEMBER 31, 2023

WHEREAS, in February 2019, the City of San José (“City”) conducted a Request for Proposal (“RFP”) to seek a provider or providers of medical insurance group plans and support services for employees, retirees, and their dependents; and

WHEREAS, the RFP Evaluation Committee, consisting of key stakeholders, identified reviewed proposals and interviewed five proposers pursuant to the selection criteria; and

WHEREAS, the RFP Evaluation Committee recommended Anthem Blue Cross (“Anthem”) to provide medical insurance plans and support services to the City for employees, retirees, and dependents for the period from January 1, 2020 through December 31, 2023, as described in the memorandum to the City Council from Jennifer Schembri, Director of Human Resources, dated June 5, 2019;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

The City Manager is hereby authorized to:

1. Negotiate and execute an Agreement or Agreements with Anthem Blue Cross to provide medical insurance plans and support services to the City for employees, retirees, and dependents for the period from January 1, 2020 through December 31, 2023, for premium costs not to exceed \$40,767,000 for calendar

year 2020 and with annual cost adjustments for each subsequent year based on annual premiums as determined by Anthem, number of enrollees, and pursuant to collective bargaining agreements, for a maximum amount not to exceed \$188,598,000 for a potential four (4) year term, subject to the annual appropriation of funds by the City Council;

2. Negotiate and approve annual premium renewal rates, and negotiate and execute any annual group health plan or policy contract and any ancillary documents, such as Evidences of Coverage (EOC) documents and Business Associate Agreements, with Anthem that are necessary to facilitate the medical insurance services Agreements for the period of January 1, 2020 through December 31, 2023; and
3. In the event that Anthem's proposed annual renewal rates are not acceptable to the City Manager, subject to the terms of City's collective bargaining agreements, authorize the City Manager to terminate the agreement(s) or group plan contract(s).

ADOPTED this _____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk