

PERSONNEL AND ANIMAL WELFARE COMMITTEE REPORT relative to Civilian Flex Benefits Program contracts.

Recommendations for Council action:

1. APPROVE the granting authority within the Los Angeles Administrative Code (LAAC) for the Personnel Department to enter into contracts with terms up to five years for Flex Benefits Program service providers without additional City Council approval.
2. REQUEST the City Attorney to prepare and present an Ordinance to amend LAAC Division 10, Section 10.5 to provide authority for up to five-year term for the Flex Benefit Program service provider contracts.
3. APPROVE and AUTHORIZE the General Manager, Personnel Department, to execute contracts or amendments as applicable, subject to the approval of the City Attorney, incorporating the contract terms for the following Flex Benefit Program providers contracts in order to conform to a Master Procurements and Contracting Schedule as recommended by the Joint Labor-Management Benefits Committee:
 - a. Delta Dental to provide dental insurance services for the City's Civilian Modified Flexible Benefits Program from January 1, 2013 to December 31, 2016.
 - b. The Standard to provide life insurance services for the City's Civilian Modified Flexible Benefits Program from January 1, 2011 to December 31, 2017.
 - c. The Standard to provide disability insurance services for the City's Civilian Modified Flexible Benefits Program from January 1, 2011 to December 31, 2017.
 - d. The Standard to provide accidental death and dismemberment insurance services for the City's Civilian Modified Flexible Benefits Program from January 1, 2013 to December 31, 2017.
 - e. WageWorks to provide third party administrative services for the health, dependent care, and commuter tax-advantage accounts for the City's Civilian Modified Flexible Benefits Program from January 1, 2013 to December 31, 2017.
 - f. Managed Health Network to provide employee assistance program services for the City's Civilian Modified Flexible Benefits Program from January 1, 2013 to December 31, 2017.

Fiscal Impact Statement: None submitted by the Personnel Department. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: None submitted.

On June 16, 2015, your Committee considered a June 11, 2015 Personnel Committee report relative to Civilian Flex Benefits Program contracts. According to the Personnel Department, the Personnel Department's Employee Benefits Division administers the City's Civilian Flex Benefits (Flex Benefits)

Program for active City civilian employees and their qualified dependents with recommendations from the Joint Labor-Management Benefits Committee (JLMBC). The JLMBC is composed of five management and five labor representatives. The mission of the Flex Benefits Program is to promote employee health/wellness with competitive benefits at a reasonable level relative to the City's financial capacity.

The Flex Benefits Program covers approximately 24,150 employees and 32,450 dependents, offering health, dental, life, disability, employee assistance and other benefits. The Personnel Department administers a number of service provider contracts for the various benefit plans, administrative/recordkeeping services, and consulting services for the Flex Benefits Program.

On February 5, 2015, the JLMBC adopted a series of recommendations for implementing improvements and efficiencies in procurement and contracting policies relative to administration of the Flex Program. The JLMBC is recommending that the City Council provide ongoing authority within the LAAC for the Personnel Department to enter into five-year contracts for Flex Benefits service provider contracts, and to adopt contract extensions for certain incumbent service providers for the purpose of conforming to a five-year procurement and contracting schedule as detailed in this report.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the June 11, 2015 Personnel Department report as detailed in the above recommendations. This matter is now submitted for Council's consideration.

Respectfully Submitted,

PERSONNEL AND ANIMAL WELFARE COMMITTEE



MEMBER VOTE

KORETZ: YES

O'FARRELL: YES

FUENTES: ABSENT

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6/16/15

-NOT OFFICIAL UNTIL COUNCIL ACTS-