



CITY OF LONG BEACH

DEPARTMENT OF HUMAN RESOURCES

R-15

333 West Ocean Boulevard 13th Floor • Long Beach, CA 90802

DEBORAH R. MILLS
DIRECTOR

June 4, 2013

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute a contract renewal with Alliant Insurance Services, Inc. (Alliant), in the amount of \$235,000, for healthcare consulting and actuarial services for a period of one year; and authorize the City Manager to execute amendments to extend the term for up to two, separate, consecutive one-year periods, and execute any subsequent amendments and/or agreements necessary to maintain current benefit levels and remain in compliance with state and federal laws. (Citywide)

DISCUSSION

Alliant assists the City in managing its health plan programs, such as health insurance strategic planning, expanding network providers, evaluations and actuarial services. With the assistance of Alliant, the City has taken decisive steps to mitigate the dramatic rate increases in the health insurance industry during the past several years. In addition, Alliant is assisting the City in complying with the complex changes associated with the Affordable Care Act (Healthcare Reform) and its impact on our group health plans.

The current contract with Alliant expires on October 31, 2013. City Council approval is requested to continue consulting and actuarial services with Alliant to ensure a smooth transition in implementing the mandates of Healthcare Reform and maintain the continuity of services for our group health plans.

This matter was reviewed by Deputy City Attorney Linda Vu on April 22, 2013 and by Budget Management Officer Victoria Bell on April 17, 2013.

TIMING CONSIDERATIONS

Critical mandates of Healthcare Reform are scheduled to go into effect on January 1, 2014. Therefore, City Council action is requested on June 4, 2013, to provide the Department of Human Resources and Alliant adequate time to prepare data for implementation on January 1, 2014.

HONORABLE MAYOR AND CITY COUNCIL

June 4, 2013

Page 2

FISCAL IMPACT

The net cost to the City for Alliant's services will be \$235,000, for a one-year period. These charges are budgeted in the Employee Benefits Fund (IS 391) in the Citywide Activities Department (XC). There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

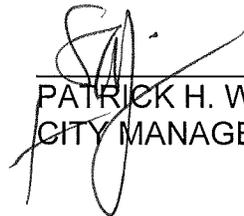
Respectfully submitted,



DEBORAH R. MILLS, DIRECTOR
DEPARTMENT OF HUMAN RESOURCES

DRM:SLM
R:\ADMINISTRATION\CITY COUNCIL LETTERS\2013\06-04-13 CCL - ALLIANT HEALTHCARE CONSULTANT CONTRACT.DOC

APPROVED:



PATRICK H. WEST
CITY MANAGER