

C-10

May 16, 2023

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 35598 with Health Advocate, Inc., of Omaha, NE, for providing comprehensive and strategic suite of health resources designed to streamline City of Long Beach employees' healthcare navigation experience, to increase the annual contract amount by \$175,000 for a revised annual contract amount not to exceed \$450,000. (Citywide)

DISCUSSION

City Council approval is requested to amendment Contract No. 35598 with Health Advocate, Inc., (Health Advocate) for providing a comprehensive and strategic suite of health resources. The requested amendment will add funds to bring us more in line with the current number of City staff who use these services.

Background

On March 10, 2020, the City Council awarded a contract to Health Advocate to provide concierge services to eligible employees and retirees to assist with navigation of the health care system in an annual amount not to exceed \$200,000, for a period of three years, with the option to renew for two additional one-year periods, at the discretion of the City Manager. On April 5, 2022, City Council approved an amendment to increase the annual contract to an amount not to exceed \$275,000.

Health Advocate provides ease of navigation for employees and retirees, competitive cost structure, and robust services. The services are available to PPO and HMO plan participants including retirees enrolled in the City of Long Beach (City) Health plans.

The Human Resources Department (HR) administers the City's employee benefits healthcare program. The program covers approximately 4,400 active employees, 2,000 retirees, and 7,800 dependents.

In accordance with the Memorandum of Understanding (MOU) between the City and its employee organizations, the Health Insurance Advisory Committee (HIAC), which is comprised of representatives from each of the employee associations, annually reviews the status of the plan costs and makes recommendations to the City Manager on plan changes, benefit levels, and addition and deletion of plans.

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This matter was reviewed by Assistant City Attorney Gary Anderson on April 20, 2023, and by Purchasing Agent Michelle Wilson and Budget Management Officer Nader Kaamoush on May 1, 2023.

TIMING CONSIDERATIONS

City Council action to amend contract No. 35598 to increase the contract amount is requested on May 16, 2023, to ensure continuity of services.

FISCAL IMPACT

The requested action will increase the annual contract authority with Health Advocate by \$175,000 for a revised annual contract amount not to exceed \$450,000. Services are budgeted in the Employee Benefits Fund Group in the Citywide Activities Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOE AMBROSINI
DIRECTOR OF HUMAN RESOURCES

APPROVED:



THOMAS B. MODICA
CITY MANAGER