



Recommendation for Action

File #: 22-2053, **Agenda Item #:** 31.

6/9/2022

Posting Language

Authorize negotiation and execution of a contract with Safeguard Health Plans, Inc. d/b/a MetLife to provide retiree dental insurance services, for a term of five years in an amount not to exceed \$920,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established. However, the recommended contractor identified subcontracting opportunities).

Lead Department

Financial Services Department.

Client Department(s)

Human Resources Department.

Fiscal Note

Funding in the amount of \$108,257 is available in the Fiscal Year 2022-2023 Operating Budget of Employee Benefits in the Human Resources Department. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued a Request for Proposals (RFP) 5800 JTH3016 for these services. The solicitation was issued on January 10, 2022, and it closed on February 15, 2022. Of the three offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=135936)
<https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=135936>.

For More Information:

Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Persons: Jim Howard, at 512-974-2031 or jim.howard@austintexas.gov
<<mailto:jim.howard@austintexas.gov>> or Brenita Wilkison at 512-974-3164 or Brenita.selement@austintexas.gov <<mailto:Brenita.selement@austintexas.gov>>.

Additional Backup Information:

The contract is for the plan administration of the retiree Dental Health Maintenance Organization (DHMO) program. The retiree DHMO provides eligible City retirees, and their dependents, an opportunity to purchase dental coverage.

This is a pass-through contract with coverage paid solely by the retiree. The rates for MetLife for the first three years of the contract are guaranteed.

An evaluation team with expertise in this area evaluated the three submitted offers. The team scored MetLife as the best qualified to provide the requested services based on price; general requirements and requested services of scope of work; experience, qualifications, business organization, account team information and references; compliance, terms and conditions, Health Insurance Portability and Accountability Act (HIPAA) business associate agreement and exceptions; local preference, and service-disabled veterans business enterprise.

This new contract will replace the existing contract which expires on December 31, 2022.

Strategic Outcome(s):

Health and Environment, Government that Works for All.