



City of Broken Arrow

Request for Action

File #: 16-1413, Version: 1

**Broken Arrow City Council
Meeting of: 12-06-2016**

**To: Mayor and City Council
From: Office of the City Manager
Title:**

**Approval of and authorization to execute a renewal agreement with
CoreSource, Inc. to continue to provide third party administration
for the employee health and dental plan**

Background:

The City provides a comprehensive health and dental plan for its employees and their families. Since 1989, our plan has been self-insured. With this concept, the City contracts with a third party administrator to administer the plan and pay claims. On October 6, 2015 the Council approved an agreement with CoreSource, Inc. to provide third party administration for the employee health and dental plan for calendar year 2016.

The agreement includes an automatic renewal for one year periods if agreed upon by both parties. The renewal for calendar year 2017 includes a slight increase in administrative fees from \$15.04 to \$15.49. The PPO access fee will also increase from \$3.50 to \$3.70. All other terms of the agreement remain the same. The proposed annual fee for CoreSource, Inc. third party administration services is \$167,793.60.

Staff recommends approving the agreement for another renewal term.

Cost: \$167,793.60

Prepared By: Jannette McCormick, Human Resources Director

**Reviewed By: Finance Department
Assistant City Manager of Administration
Legal Department**

Approved By: Michael L. Spurgeon, City Manager

**Attachments: Exhibit A Installation, Administrative and Additional Service Fees
Renewal Letter
CoreSource Agreement**

Recommendation:

Approve the renewal with CoreSource, Inc. to provide third party administration for the employee health and dental plan and authorize its execution.