



## Request for City Council Committee Action from the Department of Human Resources

**Date:** May 21, 2014

**To:** The Honorable Council President Barbara Johnson and  
Vice President Elizabeth Glidden

**Subject:** City/MPHA transition to single employer benefit plans

**Recommendation:** 1) Authorization for the proper City officials to enter into a cooperative service agreement with MPHA allowing MPHA to secure benefit consulting services through the City's previously issued request for proposals.

**Previous Directives:** Resolution to implement a self-insured medical plan for city employees and their dependents effective January 1, 2015 and provide reasonable assistance to MPHA to facilitate the transition.

### Department Information

Prepared by: Joyce Traver, Benefits Manager Susan Trammell, Assistant City Attorney
Approved by:
Presenters in Committee: Joyce Traver and Susan Trammell

### Reviews

- Permanent Review Committee (PRC): N/A
- Civil Rights Approval: N/A
- Policy Review Group (PRG): N/A

### Financial Impact

Funding is available in the 2014 Human Resources budget appropriation.

## **Supporting Information**

As part of the City of Minneapolis' intended transition to a single-employer insurance plan, Human Resources is working with MPHA as MPHA transitions to its own employee benefit plans, payroll and HRIS functions. MPHA is in need of benefit consulting services to complete an orderly and successful transition. MPHA would like to use the City's benefit consulting firm, Ahmann & Martin Company for provision of services associated with seeking a new provider of insurance services as well as other services. In order to satisfy HUD procurement requirements, MPHA has requested a cooperative services agreement with the City. The agreement will provide the authorization necessary for MPHA to contract directly with Ahmann & Martin Company.

Ahmann & Martin Company has agreed to provide the transition services to the MPHA at a cost estimated not to exceed \$75,000. The Human Resources Department agrees that the \$75,000 transition services cost is a reasonable and expected cost of the transition. The cooperative services agreement requires the City to provide reimbursement to MPHA of MPHA's Ahmann & Martin Company expenses incurred within 2014 up to a maximum of \$75,000.