

RESOLUTION NO. 540

WHEREAS, the Fire and Police Disability and Retirement Funds' (FPDR) contract with its Managed Care Organization (MCO) providers is expiring on December 31, 2021; and

WHEREAS, Managed Care Organizations provide access to a panel of health care providers accustomed to providing treatment, promoting recovery and return to work for eligible Plan Members who have suffered service-connected injury, illness, or occupational disabilities; and

WHEREAS, without the contracted discounts for the medical services FPDR Members receive, the FPDR would have to pay for services generated by non-MCO providers and would not take advantage of network savings offered for utilizing MCO providers, which would increase FPDR's overall medical costs; and

WHEREAS, on September 27, 2021, FPDR initiated a bid process through the City's Request for Proposal (RFP) process and, on October 21, 2021 FPDR received proposals from three (3) qualified MCO responders; and

WHEREAS, FPDR and City Procurement have selected an evaluation committee who will evaluate the responses from the MCO's and who will determine whether one or all three could provide the MCO services needed to meet the objectives of the FPDR Plan; and

WHEREAS, cost of service estimates have been prepared by FPDR staff and is attached as Exhibit "A".

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the FPDR, that the FPDR Director be and is hereby authorized to select, negotiate, initiate, and enter into contracts, on behalf of the Board of Trustees, with one or all three MCO's, in an amount not to exceed \$425,000.00 for a five (5) year period ending December 31, 2026.

ADOPTED by the Board of Trustees on the 16th day of November 2021.



Samuel Hutchison, FPDR Director

EXHIBIT "A"

FPDR Managed Care Organization Cost of Services Projection 2022 - 2026

5-Year Average 2017 - 2021	\$131,461
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Healthcare Inflation (forecast)

2022	3.90%	\$68,294
2023	3.80%	\$70,889
2024	3.80%	\$73,583
2025	3.70%	\$76,306
2026	3.60%	\$79,053

Total	\$368,125
15% Contingency	\$ 55,219
Grand Total	\$423,344