

1 Introduced by Council Member Hazouri:
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4 **ORDINANCE 2021-378**

5 AN ORDINANCE REGARDING CHAPTER 116 (EMPLOYEES
6 AND EMPLOYEE BENEFITS), *ORDINANCE CODE*;
7 AMENDING SECTIONS 116.1401 (DEFINITIONS),
8 116.1402 (SPECIAL COMMITTEE ON GROUP HEALTH
9 BENEFITS), 116.1403 (REQUEST FOR PROPOSAL
10 (RFP) PROCEDURE), 116.1404 (GROUP HEALTH PLAN
11 AWARD) AND 116.1406 (SELF-INSURANCE), PART 14
12 (GROUP HEALTH PLAN), CHAPTER 116 (EMPLOYEES
13 AND EMPLOYEE BENEFITS), *ORDINANCE CODE*, TO
14 MAKE CERTAIN CHANGES TO THE COMPOSITION OF THE
15 SPECIAL COMMITTEE ON GROUP HEALTH BENEFITS,
16 REVISE AND CLARIFY THE ROLE OF THE SPECIAL
17 COMMITTEE ON GROUP HEALTH BENEFITS, AND MAKE
18 CERTAIN CHANGES TO THE REQUEST FOR PROPOSAL
19 PROCEDURE FOR THE GROUP HEALTH PLAN; PROVIDING
20 AN EFFECTIVE DATE.
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22 **BE IT ORDAINED** by the Council of the City of Jacksonville:

23 **Section 1. Amending Sections 116.1401 (Definitions),**
24 **116.1402 (Special Committee on Group Health Benefits), 116.1403**
25 **(Request for Proposal (RFP) procedure), 116.1404 (Group health plan**
26 **award) and 116.1406 (Self-Insurance), Part 14 (Group Health Plan),**
27 **Chapter 116 (Employees and Employee Benefits), Ordinance Code.**
28 Chapter 116 (Employees and Employee Benefits), Part 14, (Group
29 Health Plan), Sections 116.1401 (Definitions), 116.1402 (Special
30 Committee on Group Health Benefits), 116.1403 (Request for Proposal
31 (RFP) procedure), 116.1404 (Group health plan award) and 116.1406

1 (Self-Insurance) are hereby amended to read as follows:

2 **Chapter 116 - EMPLOYEES AND EMPLOYEE BENEFITS**

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4 **PART 14. - GROUP HEALTH PLAN**

5 **Sec. 116.1401. - Definitions.**

6 Group Health ~~Carrier~~/Vendor shall mean (i) thean insurance
7 company that provides fully insured group health insurance plans to
8 the City's employees and retirees or (ii) a plan administrator that
9 administers group health insurance benefits through a self-
10 insurance arrangement.

11 Group Health Plan shall mean ~~the description of the~~ various
12 group health insurance benefits and options offered to City
13 employees and retirees by a Group Health ~~Carrier~~ Vendor ~~to include~~
14 ~~lists of health services and health care providers along with~~
15 ~~applicable rate schedules.~~

16 **Sec. 116.1402. - Special Committee on Group Health Benefits.**

17 Pursuant to Chapter 33, Part 3, Ordinance Code, the
18 Compensation and Benefits Division of the Employee Services is
19 responsible for ensuring the efficient and effective procurement of
20 health and life insurance for the benefit of the City and its
21 employees and retirees. To share information with plan participants
22 about benefits and options included in the Group Health Plan, the
23 Compensation and Benefits Division shall meet semiannually ~~There is~~
24 ~~established the~~ with a Special Committee on Group Health Benefits
25 which shall be composed of the following:

26 (a) The Director of Employee Services, or his/her designee;

27 (b) The Director of Finance and Administration, or his/her
28 designee;

29 ~~(a)~~ (c) One Council Member, appointed by the Council President;

30 ~~(b)~~ (d) The Council Auditor, or his designee;

31 ~~(c) Representatives from the following groups, appointed by the~~

1 Mayor:

2 ~~(1)(e) One member from each employee collective~~
3 ~~bargaining unit as designated by the respective~~
4 ~~unions;~~

5 ~~(2)(f) One City retiree actively participating in the~~
6 ~~Group Health Plan as designated by Employee Services;~~

7 ~~(3) One "exempt" status employee; and~~

8 ~~(4) Two representatives from the Finance and~~
9 ~~Administration Department (one representative shall be~~
10 ~~the chair of the committee and one shall be the vice~~
11 ~~chair of the committee, as designated by the Mayor).~~

12 ~~The Special Committee on Group Health Benefits shall (i) have~~
13 ~~at least 30 days to review the Request for Proposal for group~~
14 ~~health benefits and the Special Committee on Group Health~~
15 ~~Benefits will recommend to the Mayor any changes to the~~
16 ~~Request for Proposal that would improve the proposal, as~~
17 ~~provided by Section 116.1403, and (ii) have up to 15 days to~~
18 ~~review proposals received in response to the Request for~~
19 ~~Proposal and make recommendations on the proposals that best~~
20 ~~meet the criteria outlined in the Request for Proposal and~~
21 ~~the group health needs of the employees and retirees, as~~
22 ~~provided by Section 116.1404.~~

23 The Special Committee on Group Health Benefits shall convene
24 only for the purpose of receiving a semiannual update from
25 the Employee Services Department on the status and projection
26 of the Group Health Plan. The Special Committee on Group
27 Health Benefits shall not make any recommendations, provide
28 advice, vote, nor engage in any decision-making regarding the
29 Group Health Plan. Individual committee members are permitted
30 to express their individual input regarding the Group Health
31 Plan to the Employee Services Department. The Employee

1 Services Department will keep the committee informed of major
2 developments to the Group Health Plan for informational
3 purposes only. It is the intent of the City of Jacksonville
4 that the Special Committee on Group Health Benefits only
5 engage in informational-gathering activities and duties, and
6 shall not be considered a board or commission for purposes of
7 Florida's Open Meetings Law.

8 **Sec. 116.1403. - Request for Proposal (RFP) procedure.**

9 At least one time every five years, beginning with the ~~plan~~
10 Group Health Plan that will become effective in calendar year 2004,
11 the ~~Finance and Administration~~Employee Services Department shall
12 develop an Request for Proposals for a Group Health Vendor and
13 shall:

14 (a) ~~File the draft Request for Proposal with the Council~~
15 ~~Secretary and the Special Committee on Group Health~~
16 ~~Benefits.~~ The Council Secretary shall notify each Council
17 Member of receipt of the draft Request for Proposals and
18 request Council Member comments pursuant to this Section
19 116.1403;

20 (b) ~~The Special Committee on Group Health Benefits and the~~
21 Council Members shall have up to ~~30~~15 calendar days after
22 receipt of the draft Request for Proposals to submit any
23 comments on the draft Request for Proposals; and

24 (c) Issue a final Request for Proposals (RFP) to ~~potential~~
25 ~~group health insurance carriers~~Group Health Vendors for
26 employee and retiree group health insurance benefits
27 pursuant to Chapter 116, Part 14, and Chapter 126, Part 3,
28 Ordinance Code.

29 **Sec. 116.1404. - ~~Group health plan award.~~Reserved.**

30 ~~Before awarding or contracting with any carrier/vendor for~~
31 ~~group health benefits, the Finance and Administration Department~~

1 shall provide a written advisory report to City Council on the
2 vendor response to the Request for Proposal. The written advisory
3 report shall be submitted to each Council Member and shall contain
4 a recommendation from the Special Committee on Group Health
5 Benefits of the plan(s) that best meet(s) the criteria outlined in
6 the Request for Proposal. The report shall also include deductible
7 information, rate schedules and an analysis of the cost and benefit
8 differences between the existing group health plan(s) and the
9 recommended plan(s). The Mayor shall consider the report and the
10 recommendations before awarding the contract(s) to any
11 carrier/vendor.

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13 **Sec. 116.1406. - Self-Insurance.**

14 Effective January 1 of each year, the City may provide plan
15 benefits through a self-insurance arrangement rather than through a
16 fully insured Group Health ~~Carrier/Vendor~~. The following provisions
17 shall apply to such self-insurance:

- 18 (a) Procurement of a Plan Administrator. A contract with a plan
19 administrator must have been competitively procured in the
20 preceding five years. Before awarding or contracting with
21 the plan administrator, the ~~Finance~~ and
22 ~~Administration~~ Employee Services Department shall provide a
23 written advisory report to City Council on the vendor
24 responses to the competitive solicitation. The written
25 advisory report shall be submitted to each Council Member
26 and shall contain a recommendation ~~from the Special~~
27 ~~Committee on Group Health Benefits~~ of the response that
28 best serves the interests of the City. The report shall
29 describe the basis for the ~~Special Committee's~~
30 recommendation, including a comparison of the responding
31 vendors with respect to the fees to be charged and the

1 provider networks to be offered. The Mayor shall consider
2 the report ~~and the Special Committee recommendations~~ before
3 awarding the contract to any vendor.

4 (b) Annual Review. By July 1 of each year, ~~the Special~~
5 ~~Committee on Group Health Benefits~~ Employee Services shall

6 (i) review an actuarial analysis of the cost-benefits of a
7 proposal to self-insure; (ii) review the terms of any plan
8 administrator contract; and (iii) make plan recommendations
9 to the Mayor.

10 (c) Annual Notice to City Council. By August 1 of each year,
11 the City Council shall be advised of any changes in the
12 plan and the actuarial estimated costs of self-insuring the
13 plan (and any proposed changes).

14 (d) Funding Requirement. The funding necessary to cover the
15 City's self-insurance obligations shall be included in the
16 Mayor's proposed annual budget request and shall include
17 the amounts necessary to pay for (i) plan administration
18 services; (ii) stop loss insurance; (iii) estimated
19 expenses and claims of the self-insurance program; (iv)
20 reserves required by the State of Florida; and, (v) any
21 other sums necessary for the operation of the Group Health
22 ~~Fund~~ Plan. Such funding shall be subject to approval by the
23 City Council and, if approved, shall be deposited in the
24 Group Health Fund.

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26 **Section 2. Effective Date.** This Ordinance shall become
27 effective upon signature by the Mayor or upon becoming effective
28 without the Mayor's signature.

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30 Form Approved:

1 /s/ Julia B. Davis

2 Office of General Counsel

3 Legislation Prepared By: Julia B. Davis

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