

Management Committee

Meeting date: May 22, 2013

For the Metropolitan Council meeting of May 29, 2013

Subject: Authorization to Amend Contract with Total Administrative Services, Inc. (TASC)

District(s), Member(s): All

Policy/Legal Reference: Council Policy 3-4-3a Procurement – Amendments that are greater than 10% of the original contract value must be approved by the Council

Staff Prepared/Presented: Sandi Blaeser, 651-602-1582; Micky Gutzmann 651-602-1741

Division/Department: Human Resources

Proposed Action

That the Metropolitan Council authorize the Regional Administrator to amend the contract with TASC by the amount of \$100,000 to include billing services for those retirees with an employer subsidy towards medical coverage.

Background

Metropolitan Council outsourced COBRA administration and some retiree billing to TASC in July 2012 through an RFP process. The retiree billing that was moved to TASC was for insurance coverage paid in full by the retiree (dental, life, vision and some medical insurance). The current number of retirees being billed by TASC is approximately 1,200.

The remaining group of retirees that were not outsourced last July are those who qualified at retirement to receive an employer contribution towards the medical insurance premium. There are approximately 1,355 retirees that we are currently billing in-house. This amendment moves the group of retirees to TASC by August 1, 2013.

Rationale

Moving all the retiree billing to TASC will simplify the billing process for retirees who now receive two invoices – one from TASC for dental, life and/or vision coverage and one from Metropolitan Council for medical coverage. It will also allow Benefits and Finance staff more time to devote to other important tasks.

Funding

Funding is available through the Human Resources budget.

Known Support / Opposition

No opposition is known at this time.