

**THIS IS A DRAFT AND WILL BE REPLACED BY THE FINAL, SIGNED  
ORDINANCE OR RESOLUTION ADOPTED BY CITY COUNCIL**

**AN ORDINANCE**

**AUTHORIZING A PROFESSIONAL SERVICES CONTRACT WITH  
AETNA LIFE INSURANCE COMPANY TO PROVIDE OR ARRANGE  
HEALTH SERVICES FOR MEDICARE-ELIGIBLE RETIREES AND  
ELIGIBLE DEPENDENTS FOR A THREE YEAR TERM BEGINNING  
JANUARY 1, 2016 AND ENDING DECEMBER 31, 2018, WITH TWO  
RENEWAL TERMS OF ONE YEAR EACH, AT THE CITY'S OPTION,  
FOR AN ESTIMATED ANNUAL COST OF \$2.2 MILLION**

\* \* \* \* \*

**WHEREAS**, the City issued a Request for Proposals (RFP) for retiree health services; and

**WHEREAS**, a committee representing various City departments, including the City Manager's Office, Human Resources, Finance, as well as a retiree representative evaluated the proposals received, and recommends Aetna Life Insurance Company as the best able to provide the requested services based on the following criteria: experience/qualifications, proposed plan, proposed price, and Small Business Economic Development Advocacy Program (SBEDA) participation; financial stability; and

**WHEREAS**, as a result of this process, a contract will be recommended that provides for Medicare health services for retirees through a Preferred Provider Organization (PPO); and

**WHEREAS**, said Contract provides for an initial 36 month term, expiring on December 31, 2018; and

**WHEREAS**, the estimated annual cost of this contract is \$2.2 million; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The City Manager or her designee is hereby authorized to execute the PPO contract with Aetna Life Insurance Company to provide retirees and their eligible dependents with Medicare health services at an estimated annual cost of \$2.2 million. A copy of the Medicare PPO Contract in final form is attached hereto and incorporated herein as Exhibit "A". The terms of the Contract are hereby approved.

**SECTION 2.** Funding for this ordinance in the amount of \$1,633,157.00 is contingent upon approval of the Fiscal Year 2016 Budget per the table below:

Amount	General Ledger	Cost Center	Fund
\$1,442,719.00	5201040	1002060012	75002000
\$190,438.00	5201040	1002060011	75002000
Total Amt \$1,633,157.00			

**SECTION 3.** Additional funding in the amount of \$9,366,843.00 for this Ordinance is contingent upon City Council approval of subsequent fiscal year budgets.

**SECTION 4.** If approved by council, payment not to exceed the budgeted amount is authorized to Aetna Life Insurance Company and should be encumbered with a purchase order.

**SECTION 5.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance, may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

**SECTION 6.** This ordinance shall be effective immediately upon passage by eight affirmative votes; otherwise, it shall be effective on the tenth day after passage hereof.

**PASSED AND APPROVED this \_\_\_\_\_ day of October, 2015.**

**M A Y O R**  
Ivy R. Taylor

**ATTEST:**

**APPROVED AS TO FORM:**

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Leticia M. Vacek, City Clerk

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Martha G. Sepeda, Acting City Attorney