



## Legislation Text

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**File #:** ID 16-1190, **Version:** 1

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### AGENDA INFORMATION SHEET

**DEPARTMENT:** Materials Management

**ACM:** Bryan Langley

**AGENDA DATE:** September 20, 2016

#### **SUBJECT**

Consider adoption of an ordinance accepting competitive bids by way of a Cooperative Purchasing Program Participation Agreement with the City of Frisco under section 271.102 of the Local Government Code, for Healthcare Consulting Services regarding transparent pricing and quality metric for City of Denton employees; providing the expenditure of funds therefor; and providing and effective date (File 6223-awarded to Compass Professional Health Services at the rate of \$4.50 per employee per month for a three (3) year not-to-exceed amount of \$270,000).

#### **FILE INFORMATION**

Navigating healthcare has gotten more complex than ever. While we want our employees to become better stewards of their health, and to make more informed healthcare decisions, employees can become overwhelmed with the various “tools” (800 numbers, web portals, etc.) that are available to them. As health plans push more costs and more responsibilities, onto the plan participants, it is imperative that our employees become “active” consumers of healthcare. Unfortunately, the reality is that most employees need help understanding the nuances of healthcare services, health plan provisions, physician evaluators, cost calculators, etc. Some studies suggest that while all health plans have these important and valuable tools available to plan members, only 2% of covered people actually take advantage of them.

This is where Compass Professional Health Services (Compass) comes into play. They are a Dallas-based company that provides services to over 2,000 companies like Southwest Airlines and Atmos Energy, as well as 23 other cities in the Dallas-Fort Worth area. The Compass health services program will help our employees and their families make smarter healthcare decisions, while simplifying the administrative functions within the healthcare system. Compass can help employees find the highest quality and most cost-effective physicians, facilities, and medications, while connecting employees to the various healthcare programs and services that are available to them within our health plan. Additionally, Compass can help employees review the various bills and Explanation of Benefits (EOB's) to ensure that they are being billed appropriately, and that the plan is paying appropriately.

Compass can serve as an employees' single point of contact, a health plan concierge if you will, to answer healthcare related questions and to guide them to the right providers, facilities, medications, and programs. The Compass Health Pro becomes an extension of our current benefits staff and of our healthcare third-party administrator, United Healthcare. The Compass Health Pro can help take some of the burden of managing the

healthcare system off of our employees' shoulders, so that they can focus on providing outstanding services to the citizens of Denton.

### **FILE INFORMATION, CONTINUED**

The City's Employee Insurance Committee (EIC), which is made up of employees from various departments throughout the City, reviewed this program and were completely in favor of adding this benefit to our health program as it addresses so many of the challenges our employees face in dealing with the complexities of health care.

On May 7, 2013, the City of Frisco awarded a contract for Healthcare Consulting Services to Compass Professional Health Services which includes general beneficiary information, coordination of care, instruction regarding benefits available, consulting regarding healthcare benefits and available providers, consulting regarding cost efficiencies, medical record collection and charting, and provider bill review. The City of Denton has an Interlocal Agreement in place with the City of Frisco, therefore staff recommends utilizing Frisco's contract for the purchase of this service.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

City Council approved a Cooperative Purchasing Agreement with the City of Frisco on April 1, 2013.

### **RECOMMENDATION**

Award a contract to Compass Professional Health Services by way of an Interlocal Agreement with the City of Frisco.

### **PRINCIPAL PLACE OF BUSINESS**

Compass Professional Health Services  
Dallas, Texas

### **ESTIMATED SCHEDULE OF PROJECT**

This service would be available to our employees and their dependents, covered under the City's self-funded health plan, effective January 1, 2017.

### **FISCAL INFORMATION**

This service will be funded out of the Health Insurance Fund-account 850500.6705.0001.

### **STRATEGIC PLAN RELATIONSHIP**

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

**Related Key Focus Area:   Organizational Excellence**

**Related Goal:**                    **1.1 Manage financial resources in a responsible manner**

**EXHIBITS**

Exhibit 1: City of Frisco Award

Exhibit 2: Ordinance

Exhibit 3: Compass Contact

Respectfully submitted:  
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Director of Finance

For information concerning this acquisition, contact: Scott Payne at 349-7836.