

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE CITY MANAGER, PURSUANT TO REQUEST FOR PROPOSALS (RFP) NO. 2023-259-WG FOR HEALTH, PHARMACY, AND MEDICARE ADVANTAGE PLANS, AND AUTHORIZING THE ADMINISTRATION TO NEGOTIATE WITH CIGNA HEALTH AND LIFE INSURANCE COMPANY, THE TOP-RANKED PROPOSER FOR PLAN A (HEALTH AND PHARMACY PLANS) AND PLAN C (MEDICARE ADVANTAGE PLAN); AND, IF UNSUCCESSFUL IN NEGOTIATING AN AGREEMENT WITH THE TOP-RANKED PROPOSER, AUTHORIZING THE ADMINISTRATION TO NEGOTIATE WITH AETNA LIFE INSURANCE COMPANY, THE SECOND-RANKED PROPOSER FOR PLAN A (HEALTH AND PHARMACY PLANS), AND HUMANA, INC., THE SECOND-RANKED PROPOSER FOR PLAN C (MEDICARE ADVANTAGE PLAN); AND FURTHER AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE AN AGREEMENT UPON CONCLUSION OF SUCCESSFUL NEGOTIATIONS BY THE ADMINISTRATION.**

**WHEREAS**, on October 1, 2016, pursuant to Request for Proposals (RFP) No. 2016-086-WG, the City entered into an Administrative Services Only (ASO) agreement with Cigna Health and Life Insurance Company ("Cigna") for the administration of its health plan and pharmacy benefits, which services included, but were not limited to, utilization review, claims management, case management, disease management, nationwide access to physician network, concierge services, administration of COBRA benefits, a 24/7 nurse line, and pharmacy benefits management; and

**WHEREAS**, the ASO Agreement with Cigna is scheduled to expire on September 30, 2023; and

**WHEREAS**, on February 22, 2023, the Mayor and City Commission approved the issuance of RFP No. 2023-259-WG for Health, Pharmacy, and Medicare Advantage Plans (the "RFP"); and

**WHEREAS**, the intent of the RFP was to solicit proposals for an ASO agreement, to administer the City's self-insured health plan covering employees, retirees, and dependents, effective October 1, 2023, as well as soliciting pharmacy benefit management and a new offering for Medicare-eligible employees and retirees; and

**WHEREAS**, on February 23, 2023, the RFP was issued; and

**WHEREAS**, on April 14, 2023, the City received proposals from the following firms:

Plan A – ASO Health and Pharmacy Services

- Aetna Life Insurance Company
- AvMed Inc.
- Cigna

Plan B – Pharmacy Benefits Only

- Drex, Inc.
- CerpaxRx

- Cigna
- MedImpact Healthcare Systems, Inc.

Plan C – Medicare Advantage Plans

- Cigna
- Humana, Inc.; and

**WHEREAS**, the proposal submitted by Drexel, Inc. was determined to be non-responsive for failure to meet the minimum experience requirement and received no further consideration; and

**WHEREAS**, on May 8, 2023, an Evaluation Committee, comprised of Marvin Adams, Employee Benefits Manager, Human Resources Department; Andrew Bejel, Assistant Human Resources & Risk Management Director, City of North Miami Beach; Thomas Curitore, Assistant Director, Code Compliance Department; Jennifer Sanchez, Senior Human Resources Specialist, Human Resources Department; and Elizabeth Miro, Assistant Director, Facilities and Fleet Management Department, convened to consider the proposals; and

**WHEREAS**, the Committee was provided an overview of the project, information relative to the City's Code of Silence Ordinance, the Government Sunshine Law, general information on the scope of services and a copy of each proposal; and

**WHEREAS**, the Committee was instructed to score and rank each proposal pursuant to the evaluation criteria established in the RFP; and

**WHEREAS**, the evaluation process resulted in the proposers being ranked by the Evaluation Committee in the following order:

Plan A – ASO Health and Pharmacy Services

- 1st ranked - Cigna
- 2nd ranked - Aetna Life Insurance Company
- 3rd ranked – AvMed Inc.

Plan B – Pharmacy Benefits Only

- 1st ranked - Cigna
- 2nd ranked - MedImpact Healthcare Systems, Inc.
- 3rd ranked - CerpassRx

Plan C – Medicare Advantage Plans

- 1st ranked - Cigna
- 2nd ranked – Humana, Inc.; and

**WHEREAS**, Cigna is the top-ranked firm for Plan A ASO Health and Pharmacy Services, Plan B Pharmacy Benefits Only, and Plan C Medicare Advantage Plans for 65+ Active employees and Retirees; and

**WHEREAS**, since Cigna is also the top-ranked firm for Plan B Pharmacy Benefits, the City Manager recommends that the pharmacy benefit plan be awarded alongside the medical ASO services (Plan A) instead of as a separate Plan B; and

**WHEREAS**, while all of the proposing firms have sufficient experience to provide services for the City, Cigna provides a unique familiarity with the City's employees and retirees and is able to assist the City in tailoring plan designs; has a robust network of doctors and medical facilities, where 96% of visits are in-network; is the current ASO services provider and therefore eliminates the potential for disruption to the City's members; Cigna's proposal includes a reduction in ASO fees and a flat renewal thereafter through plan year 2026; and Cigna's proposal includes the on-site Cigna representative at no additional cost; and

**WHEREAS**, after reviewing the proposals and the results of the evaluation committee, the City Manager exercised her due diligence and recommends that the Administration negotiate an agreement with Cigna, the top-ranked proposer for Plan A (Health and Pharmacy Plans) and Plan C (Medicare Advantage Plans); and, if unsuccessful in negotiating an agreement with the top-ranked proposer, authorize the Administration to negotiate with Aetna Life Insurance Company, the second-ranked proposer, for Plan A (Health and Pharmacy Plans), and Humana, Inc., the second-ranked proposer for Plan C (Medicare Advantage Plans).

**NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, that the Mayor and City Commission hereby accept the recommendation of the City Manager, pursuant to Request for Proposals (RFP) No. 2023-259-WG for Health, Pharmacy, and Medicare Advantage Plans, and authorize the Administration to negotiate with Cigna Health and Life Insurance Company, the top-ranked proposer for Plan A (Health and Pharmacy Plans) and Plan C (Medicare Advantage Plans); and, if unsuccessful in negotiating an agreement with the top-ranked proposer, authorize the Administration to negotiate with Aetna Life Insurance Company, the second-ranked proposer for Plan A (Health and Pharmacy Plans), and Humana, Inc., the second-ranked proposer for Plan C (Medicare Advantage Plan); and further authorize the City Manager and City Clerk to execute an agreement upon conclusion of successful negotiations by the Administration.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_ 2023.

**ATTEST:**

\_\_\_\_\_  
RAFAEL E. GRANADO, CITY CLERK

\_\_\_\_\_  
DAN GELBER, MAYOR

APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION



\_\_\_\_\_  
City Attorney

5-11-23

\_\_\_\_\_  
Date