

CONSENT AGENDA
ITEM NO. 31

**CITY OF SAN ANTONIO
HUMAN RESOURCES DEPARTMENT
CITY COUNCIL AGENDA MEMORANDUM**

TO: Mayor and City Council

FROM: Sharon De La Garza, Director, Human Resources Department

COPIES: Frances A. Gonzalez, Assistant City Manager; City Attorney's Office; Finance Department; File

SUBJECT: Managed Vision Program (Spectera, Inc.) Selection and Contract

DATE: October 20, 2005

SUMMARY AND RECOMMENDATIONS

This Ordinance authorizes the City Manager or his designee to execute a contract with Spectera Inc. at an estimated annual amount of \$490,170 to provide managed vision program services. The term of this contract begins on January 1, 2006 and ends on December 31, 2008, with an option to extend the contract for one (1) two (2) year period, subject to and contingent upon funding and approval by City Council.

Staff recommends approval of this ordinance.

BACKGROUND INFORMATION

The City of San Antonio offers an optional managed vision program to eligible non-uniformed employees and their dependents for a monthly premium cost which is paid through payroll deduction and passed on to the vendor. This fully insured program provides vision exams, eyeglasses and contact lens services to participants who elect to enroll in this program.

The Human Resources Department developed a Request for Proposal (RFP) for a Managed Vision Program in coordination with Contract Services and advertised in the San Antonio Express-News on August 14, 2005. The RFP was posted on the City of San Antonio Government Website on August 15, 2005 and distributed to 17 vendors who currently provide this type of service. Ten (10) Managed Vision Program responses were received by the deadline and reviewed by a Technical Committee for compliance with RFP requirements, financial stability, and SBEDA scoring. The Technical Committee consisted of representatives from the City Attorney's Office, Economic Development, Finance, Contract Services and the Human Resources Department. One response was deemed non-responsive by the Technical Committee.

The RFP Evaluation Committee convened on October 3, 2005 and short listed three (3) proposals for evaluation, interview and scoring. The Evaluation Committee was composed of representatives from Human Resources, Environmental Services, Library, Police and Public Works Departments. Interviews with the short listed firms were held on October 10, 2005 and final scoring was conducted on October 11, 2005. The Committee scored according to the evaluation criteria listed in the RFP which included the following: Experience, Background and Capability (30 points), Proposed Plan (25 points), Evaluation of Pricing Schedule (25 points) and SBEDA (20 points). The SBEDA scores were submitted by Economic Development and the proposed pricing schedule was calculated with the application of a mathematical formula. The scoring matrix is attached.

Spectera proposed the best package including an improved provider network, an increase in frame allowance from \$120 to \$130, polycarbonate and scratch resistant lens options at no additional cost to member, and increased contact lens allowance from \$120 to \$150. As a result of this RFP process, the Evaluation Committee recommends that Spectera, Inc. be awarded the contract to provide Managed Vision Program services for the City of San Antonio Self Insurance Fund.

POLICY ANALYSIS

Execution of this contract will allow the City to continue to offer an optional managed vision program to eligible non-uniformed employees and their dependents which is a crucial part of the City's Self Insurance Program.

FISCAL IMPACT

Funds in the amount of \$490,170 are included in the adopted Budget for FY 2005 -2006 for the Managed Vision Program Funds are appropriated annually, by fiscal year, in the Employee Benefits Self-Insurance Fund. The vision program is an optional benefit paid for by the employee, therefore the estimated annual cost of \$490,170 is a direct pass-through to the vendor. This ordinance will authorize the first nine (9) months of this contract in FY 2005-2006 and the remaining three (3) months will be authorized in FY 2006-2007 upon subsequent funding. The subsequent two (2) contract years are subject to and contingent upon Council approval through annual budget appropriations.

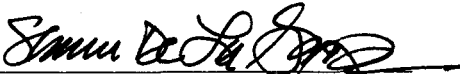
Final contract negotiation resulted in the ability to maintain the current premium structure for the three (3) year base contract with a 6% maximum increase for the optional two (2) year extension period. The monthly premium of \$7.62 for employee only, \$13.62 for employee plus spouse, \$13.62 for employee plus child(ren), or \$20.18 for employee plus family will be deducted from payroll on a biweekly basis for enrolled participants.

COORDINATION

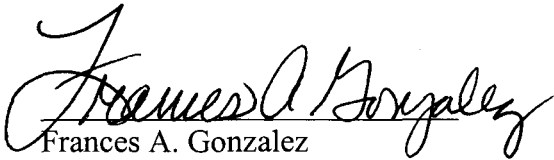
This item has been coordinated with the City Attorney's Office, Contract Services, Finance, Health and Economic Development.

SUPPLEMENTARY COMMENTS

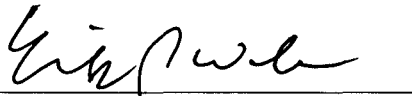
The required Ethics Disclosure Statement is attached.



Sharon De La Garza
Human Resources Director



Frances A. Gonzalez
Assistant City Manager



✚ J. Rolando Bono
City Manager

Attachment A
Evaluation Matrix
Managed Vision Program

	Spectera	Superior Vision	VSP
Experience, Background & Capability 30 Points Maximum	16.9	18.2	17.5
Proposed Plan 25 Points Maximum	21.0	19.1	17.0
Evaluation of Pricing Schedule 25 Points Maximum	25.0	17.0	16.9
Local Business Enterprise 10 Points Max	0.0	0.0	0.0
Historically Underutilized Enterprise 5 Points Max	0.0	0.0	0.0
Compliance w/SBEDA Policy 5 Points Max	0.0	0.0	0.0
TOTAL SCORE	62.9	54.3	51.4

City of San Antonio
Discretionary Contracts Disclosure

*For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.*

(1) Identify any individual or business entity¹ that is a **party** to the discretionary contract:

Spectera, Inc.

(2) Identify any individual or business entity which is a **partner, parent** or **subsidiary** business entity, of any individual or business entity identified above in Box (1):

☐ No partner, parent or subsidiary; or

List partner, parent or subsidiary of each party to the contract and identify the corresponding party:

Spectera is a division of Specialized Care Services, a \$2 billion wholly owned subsidiary of UnitedHealth Group, a \$37 billion organization.

(3) Identify any individual or business entity that would be a **subcontractor** on the discretionary contract.

☐ No subcontractor(s); or

List subcontractors:

Spectera only utilizes subcontracting for the purposes of printing some of our communication materials and the credentialing of our network providers. Advance Printing is used to print some of Spectera's communication materials and CreDentals, Inc. is responsible for the credentialing process of all of Spectera's network providers.

(4) Identify any **lobbyist** or **public relations firm** employed by any party to the discretionary contract for purposes related to seeking the discretionary contract.

☒ No lobbyist or public relations firm employed; or

List lobbyists or public relations firms:

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law. A sole proprietor should list the name of the individual and the d/b/a, if any.

(5) Political Contributions

List all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under Box (1), (2), (3) or (4) above, or by the officers, owners of any business entity listed in Box (1), (2) or (3):

☒ No contributions made; If contributions made, list below:

By Whom Made:	To Whom Made:	Amount:	Date of Contribution:


(6) Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city must disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 2-43 of the City Code (Ethics Code), ("conflicts of interest") by participating in official action relating to the discretionary contract.

☒ Party not aware of facts which would raise a "conflicts-of-interest" issue under Section 2-43 of the City Code; or

Party aware of the following facts:

This form is required to be supplemented in the event there is any change in the information before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed, whichever occurs first.

Signature: 	Title: President & CEO Company or D/B/A: Spectera, Inc.	Date: September 9, 2005
--	--	-----------------------------------

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.