



TO: Board of Contracts and Awards
FROM: Joy St. Germain, Director, Human Resources Department *Joy St. Germain*
 Saada Gegoux, Risk Manager, Human Resources Department
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and Marie Holm, Finance/Purchasing
SUBJECT: Medical Provider Services - For Employee Injury and Health Services.
 Request for Proposals No. HR15-0303F, October 6, 2015
DATE: September 21, 2015

SUMMARY:

The Human Resources Department recommends a contract be awarded to Multicare Health System dba Multicare Centers of Occupational Medicine, Tacoma, Washington, in the amount of \$240,000, sales tax not applicable, for medical services including post offer physicals, DOT physicals, immunizations, drug and alcohol testing, and respirator physicals for an initial contract term of three years with the option to renew for two years, for a projected contract amount of \$400,000.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This contract provides for the work related medical and health needs of City employees to perform their jobs in a safe and healthy environment and manner.

BACKGROUND:

ISSUE: The current contract is expiring with no option to renew. This contract allows for the continuation of medical services as required for pre-employment physicals, post-employment specific physicals, and drug and alcohol testing.

ALTERNATIVES: If Multicare is not awarded this contract, the alternatives are to award the contract to second respondent, U.S. Healthworks whose rates are much higher or issue another solicitation in hope we receive more responses. Another alternative would be to further divide the medical needs of the City and seek a vendor for each individual service, such as Drug & Alcohol. This could also result in a cost increase to the City since Multicare could not provide much of a discount on individual services. Many of the medical services are regulatory and must be provided by the employer; therefore not providing them is not an option.

COMPETITIVE SOLICITATION: Request for Proposals HR15-0303F was opened July 14, 2015. Three companies were invited to bid in addition to normal advertising of the project in the Tacoma Daily Index and posting on the Purchasing website. Two submittals were received.

<u>Respondent</u>	<u>Location (city and state)</u>	<u>Score</u>
Multicare Health System dba Multicare Centers of Occupational Medicine	Tacoma, WA	91
U.S. Healthworks Medical Group of WA	Seattle, WA	58



CONTRACT HISTORY: New contract.

SUSTAINABILITY: Sustainability efforts were awarded up to 5% of the total rating schedule used to evaluate proposals. Respondent submitted information regarding their sustainability efforts and contribution to negatively impact the environment.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

Human Resources Department recommends a contract be awarded to Multicare Health System dba Multicare Centers of Occupational Medicine, Tacoma, Washington, in the amount of \$240,000, sales tax not applicable, for a three year contract term with an option to renew for two years, for a cumulative total of \$400,000, sales tax not applicable, for medical services as needed.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
VARIES	VARIES	5311500	\$400,000
TOTAL			

* General Fund: Include Department

Monthly invoices are consolidated on one Procurement Card and then each individual’s medical service is listed by the individual’s cost center and billed to it. All medical services are paid by the employee’s department.

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
VARIES	VARIES	5311500	
TOTAL			

POTENTIAL POSITION IMPACT: N/A

POSITION TITLE	PERMANENT/ PROJECT TEMPORARY POSITION	FTE IMPACT	POSITION END DATE
TOTAL			

This section should only be completed if a subsequent request will be made to increase or decrease the current position count.

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$90,000

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes