

AN ORDINANCE

99911

AUTHORIZING THE INTERIM CITY MANAGER OR HIS DESIGNEE TO EXERCISE THE FINAL ONE (1) YEAR EXTENSION AND AMENDMENT OF THE CURRENT CONTRACT WITH PACIFICARE/SECURE HORIZONS TO PROVIDE A HEALTH MAINTENANCE ORGANIZATION (HMO) PLAN FOR ELIGIBLE RETIREES AND THEIR DEPENDENTS ENROLLED IN MEDICARE COVERAGE, FOR AN ESTIMATED ANNUAL AMOUNT OF \$720,180.00 FOR A ONE (1) YEAR TERM BEGINNING JANUARY 1, 2005 AND ENDING DECEMBER 31, 2005.

\* \* \* \* \*

**WHEREAS**, the City of San Antonio has provided an Health Maintenance Organization (HMO) Medicare plan option to eligible retirees and their dependants since 1979; and

**WHEREAS**, the current HMO Medicare plan has been administered by PacifiCare of Texas since January 1, 2001; and

**WHEREAS**, the original three (3) year HMO Medicare plan contract with PacifiCare of Texas included the option of renewing the contract for two (2) additional one (1)-year terms; and

**WHEREAS**, a committee reviewed PacifiCare of Texas' performance to include contract performance, monthly employee premium, and customer satisfaction, and found favorable results; and

**WHEREAS**, the City Council wishes to exercise its option to renew and extend the term of said contract for the second one (1)-year renewal term; **NOW THEREFORE:**

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

**SECTION 1.** The Interim City Manager or his designee is hereby authorized to execute a renewal and extension of the HMO Medicare contract with PacifiCare of Texas for a one (1) year period commencing January 1, 2005 and ending December 31, 2005. A copy of the renewal contract is attached hereto as Exhibit A.

**SECTION 2.** The amount of \$540,135.00 is to be appropriated in Fund 75-002000, Employee Benefits Insurance Program, in Cost Center 1002010001, G/L Account 5402540 and is to be made payable to PacifiCare of Texas, for provision of an HMO plan for eligible retirees and their dependents enrolled in Medicare coverage, beginning January 1, 2005 and ending December 31, 2005.

**Section 3.** The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific index codes and fund numbers as necessary to carry out the purpose of this Ordinance.

**SECTION 4.** This ordinance shall be effective on and after the tenth day after passage hereof.

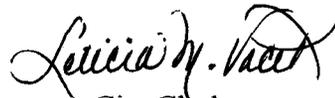
PASSED AND APPROVED this 21st day of October, 2004.



M A Y O R

EDWARD D. GARZA

ATTEST:



City Clerk

APPROVED AS TO FORM:



for City Attorney