

AN ORDINANCE **101657**

AUTHORIZING THE EXECUTION OF A CONTRACT WITH AETNA FOR AN ESTIMATED ANNUAL AMOUNT OF \$864,178.00 TO PROVIDE MEDICARE HEALTH MAINTENANCE ORGANIZATION (HMO) PROGRAM SERVICES BEGINNING JANUARY 1, 2006 AND ENDING 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.

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WHEREAS, this Contract provides Medicare Health Maintenance Organization (HMO) program services for City Retirees; and

WHEREAS, said Contract provides for a three-year term, with one (1) option to renew for a two (2) year term; and

WHEREAS, the cost for this Contract is \$864,178.00; **NOW THEREFORE:**

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

SECTION 1. The Contract with Aetna Life Insurance Company to provide Medicare Health Maintenance Organization (HMO) program services for City Retirees for the period from January 1, 2006 through December 31, 2008 is hereby approved. The City Manager, or her designee, is hereby authorized 45 days to negotiate and execute the Contract, a copy of which, in substantially final form, is attached hereto and incorporated herein as Exhibit "A". If said Contract is not negotiated and executed within said 45 days or the terms materially change, then there shall be no authority to execute said Contract unless there is subsequent City Council authorization.

SECTION 2. The amount of \$864,178.00 is authorized to be paid from Fund 75-002000, in GL 5201040, entitled Fees to Professional Contractors, in Cost Center 1002010018, and made payable to Aetna Life Insurance Company for Medicare Health Maintenance Organization (HMO) coverage. Funding has been appropriated from the Employee Benefits Fund for the first nine months of the Contract. The remainder of the Contract's term shall be contingent upon a subsequent appropriation of funds.

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's designee, correct allocation to specific Cost Centers and Fund Numbers as necessary to carry out the purpose of this Ordinance.

KMC
11/10/05
Item No. 18

SECTION 4. This ordinance becomes effective November 20, 2005.

PASSED AND APPROVED this 10th day of November, 2005.



M A Y O R
PHIL HARDBERGER

ATTEST: *Leticia M. Vaest*
City Clerk

APPROVED AS TO FORM: *M. Bernadette Hill*
City Attorney