



# City of Newark

City Hall  
920 Broad Street  
Newark, New Jersey 07102

## Legislation Text

File #: 12-1486, Version: 1

**Dept/ Agency:** Administration/Division of Personnel

**Action:** ( X ) Ratifying (X) Authorizing ( ) Amending

**Type of Service:** Contract for Health Benefits Program - Dental Plan

**Purpose:** Closed Panel Dental Services on a Pre-Paid basis for all Eligible Active Employees and Eligible Retirees, and their Eligible Dependents.

**Entity Name:** Group Dental Health Administrators, Inc.

**Entity Address:** 66 Route 17 North, Paramus, NJ 07652

**Contract Amount:** \$411,642.00

**Funding Source:** City of Newark Budget

**Contract Period:** January 1, 2012 through December 31, 2012

**Contract Basis:** ( ) Bid ( ) State Vendor ( ) Prof. Ser. ( X ) Insurance/EUS

( ) Fair & Open ( X ) No Reportable Contributions ( ) RFP ( ) RFQ

( ) Private Sale ( ) Grant ( ) Sub-recipient ( ) n/a

**Additional Information:**

7RI-L (as) 030211

**WHEREAS**, through the adoption of appropriate Resolution, 7RI-L (as) 030211, as the result of collective bargaining negotiations, the City of Newark (the City), , is required to provide closed panel dental services, on a pre-paid basis as individually negotiated with each of the City's bargaining units, to all eligible employees, eligible retirees and their eligible dependents represented by the various bargaining units with which the City negotiates and eligible unclassified personnel along with their eligible dependents who are eligible to receive the closed panel dental services on a pre-paid basis provided by Group Dental Health Administrators, Inc. ("Group Dental"); and

**WHEREAS**, Group Dental has submitted a proposal indicating they will provide closed panel dental services on a pre-paid basis at a rate of \$44.55 per subscriber; and

**WHEREAS**, the City of Newark desires to enter into a contract with Group Dental for the purpose of providing closed panel dental services for the contract period January 1, 2012 through December 31, 2012 for an estimated cost of \$411,642.00 for the contract year. The actual cost is contingent upon actual enrollment; and

**WHEREAS**, this Contract is awarded without competitive bidding as an exception to Local Public Contracts Law, pursuant to N.J.S.A. 40A:11-5(m), and shall be in accordance with the requirements of N.J.S.A. 40A:11-5(1) (a) (ii), Extraordinary Unspecifiable Service; and

**WHEREAS**, Local Public Contracts Law N.J.S.A. 40A:11-1, et seq. requires a Resolution of the Governing Body authorizing the award of contracts for Extraordinary Unspecifiable Services and further requires that the contract itself must be available for public inspection; and

**WHEREAS**, the contract is exempt from the requirements of State Pay-to-Play Law N.J.S.A.

19:44A-20.5 as Insurance Companies are state-regulated companies by the Department of Banking and Insurance and are statutorily barred from making a reportable contribution pursuant to N.J.S.A. 19:34-32; and

**WHEREAS**, the Mayor of the City of Newark signed into law Executive Order Number MEO-07-0001 (hereinafter "Pay-to-Play Executive Order"), which requires reporting of political contributions to Newark Municipal Candidates and prohibits certain political contributions during the duration of the contract.

**NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:**

1. The Mayor and/or his designees, the Business Administrator and the Personnel Director, are hereby authorized to enter into and execute a contract with Group Dental, whose Address is 66 Route 17 North, Paramus, NJ 07652, for the provision of closed panel dental services on a pre-paid basis for all eligible active employees, eligible retirees and to their eligible dependents, for the period commencing January 1, 2012 and terminating on December 31, 2012, pursuant to N.J.S.A. 40A:11-15(6).

2. The contract between City of Newark and Group Dental for the provision of closed panel dental plan services on a pre-paid basis is hereby ratified from January 1, 2012 through the date of adoption of this authorizing resolution.

3. A copy of the fully-executed contract shall be filed in the Office of the City Clerk by the Personnel Director.

4. The Contract is awarded without competitive bidding as an exception to Local Public Contracts Law, pursuant to N.J.S.A. 40A:11-5(m), and is in accordance with the requirements of N.J.S.A. 40A:11-5(1)(a)(ii), Extraordinary Unspecifiable Service, and is in compliance with Executive Order MEO-07-0001, effective March 31, 2007.

5. A Certification of Extraordinary Unspecifiable Services is attached and shall be filed with the Office of the City Clerk.

6. The contract is exempt from the requirements of State Pay-to-Play Law N.J.S.A. 19:44A-20.5 as Insurance Companies are state-regulated companies by the Department of Banking and Insurance and are statutorily barred from making a reportable contribution pursuant to N.J.S.A. 19:34-32.

7. The estimated cost of providing the aforesaid services for the period January 1, 2012 through December 31, 2012 is \$411,642.00.

8. Attached hereto are partial Certifications of the Municipal Comptroller which states that there are available sufficient and legally appropriated funds in the amounts and under the codes provided within the 2012 Municipal Budget, designated for Group Dental, for the purposes set forth herein:

a. \$106,040.00 from Fund 011, Agency 200, Organization 2001, Object 60250;

- b. \$ 3,982.00 from Fund 037, Agency 750, Organization 7503, Object 60250;
- c. \$ 661.00 from Fund 038, Agency 800, Organization 8004, Object 60250;
- d. \$2,000.00 from Fund 011, Agency 010, Organization 0111, Object 60250;

9. Additional funds are contingent upon appropriations as required by N.J.A.C. 5:30-5.5(c) and pursuant to N.J.A.C. 5:30-5.5(d)(2).

10. There shall be no amendments or changes of this contract without approval of the Municipal Council.

11. There shall be no advance payments on this contract in accordance with N.J.S.A. 40A:5-16.

12. A notice of this action shall be published in the newspaper authorized by law to publish a legal advertisement and as required by law within 10 days of its passage.

13. If required by Law, the City Clerk shall provide the appropriate notice of award of the contract to the State Comptroller no later than 20 business days following such award, in accordance with N.J.S.A. 52:15C-10 and the Notice of the Office of the State Comptroller dated May 7, 2008.

### **STATEMENT**

This Resolution ratifies and authorizes the Mayor and/or his designees, the Business Administrator and the Personnel Director, to enter into and execute a contract with Group Dental, 66 Route 17 North, Paramus, NJ 07652, for the provision of closed panel dental services on a pre-paid basis for all eligible active employees and eligible retirees, and to their eligible dependents, for the period commencing January 1, 2012 and terminating on December 31, 2012 for an estimated amount of \$411,642.00. The Contract is awarded without competitive bidding as an exception to Local Public Contracts Law, pursuant to N.J.S.A. 40A:11-5(m), and in accordance with the requirements of N.J.S.A. 40A:11-5(1)(a)(ii), Extraordinary Unspecifiable Service, and is in compliance with Executive Order MEO-07-0001, effective March 31, 2007.

GrpDen12