



Legislation Text

File #: 12-1414, Version: 1

Dept/ Agency: Administration/Division of Personnel

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

Type of Service: Contract for Insurance related Consultant Services

Purpose: O.C.A. has been identified as the Third-Party Administrator of the Consolidated Omnibus Budget Reconciliation Act of 1983 (COBRA) and Flexible Spending Account Services for all Eligible Subscribers and their Eligible Dependents .

Entity Name: O.C.A. Benefit Services, LLC

Entity Address: 3705 Quakerbridge Rd., Suite 216, Mercerville, NJ 08619

Contract Amount: \$20,576.00

Funding Source: City Budget Lines

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

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

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

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

Additional Information:

Invitation: Director of Personnel, July 31, 2012

WHEREAS, pursuant to 26 CFR 54.4980B-8 of the Consolidated Omnibus Budget Reconciliation Act of 1983 (COBRA), the City of Newark (City) is allowed to establish monthly premiums for its continuation of healthcare coverage as required by COBRA for participating former employees and their eligible dependents; and

WHEREAS, pursuant to NJPL 2011 Chapter 78, adopted on June 28, 2011, the City of Newark is required to implement a Cafeteria Plan or Section 125 Flexible Spending Account (FSA) program that allows employees to voluntarily set aside a portion of their earnings to pay for qualified medical expenses on a pretax basis; and

WHEREAS, pursuant to the proposals submitted for review, the City accepts the recommendation of its group insurance broker, Brown & Brown Metro to designate O.C.A Benefit Services, LLC, (O.C.A.), as the City's third party administrator for the COBRA and FSA plans; and

WHEREAS, O.C.A. will provide such services to the City's subscribers from January 1, 2012 through December 31, 2012 for a total cost not to exceed \$20,576.00; and

WHEREAS, 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 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 contract for Extraordinary Unspecifiable Services and further require the contract itself must be available for inspection; and

WHEREAS, the Personnel Director has determined and certified in writing that the value of this contract will exceed \$17,500.00; and

WHEREAS, this contract is being awarded pursuant to a “non-fair and open” process pursuant to State Pay-to-Play Law N.J.S.A. 19:44A-20.5; and

WHEREAS, O.C.A. Benefit Services has completed and submitted a Business Entity Disclosure Certification which certifies that O.C.A. Benefit Services, LLC, has not made any reportable contributions to a political or candidate committee in the City of Newark in the previous one year, and this contract will prohibit O.C.A. Benefit Services from making any reportable contributions through the term of the contract; 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 Council 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 O.C.A. Benefit Services, LLC, 3705 Quakerbridge Road, Suite 216, Mercerville, NJ 08610, for the provision of COBRA and FSA plan services for all eligible subscribers and their eligible dependents, to reflect a contract period commencing January 1, 2012 and terminating on December 31, 2012, pursuant to N.J.S.A. 40A:11-15(6).

2. The contract is ratified from January 1, 2012, to the date of adoption of this Resolution.

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

4. A Certification of Extraordinary Unspecifiable Services and Determination of Value are attached and shall be filed with the Office of the City Clerk.

5. The estimated cost of providing the aforesaid services for the period January 1, 2012 through December 31, 2012 is \$20,576.00.

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

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

8. 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.

9. This resolution shall take effect immediately.

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 O.C.A. Benefit Services, LLC, 3705 Quakerbridge Road, Suite 216, Mercerville, NJ 08610, for the provision of COBRA and FSA plan services for all eligible

subscribers and their eligible dependents, to reflect a contract period commencing January 1, 2012 and terminating on December 31, 2012. 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 an Extraordinary Unspecifiable Services N.J.S.A. 40A:11-5(1)(a)(ii), and is in compliance with Executive Order MEO-07-0001, effective March 31, 2007.

OCA2012