



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 13-1039, **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 Eligible Active Employees, and Eligible Retirees, and their Eligible Dependents

Entity Name: Group Dental Health Administrators, Inc.

Entity Address: 66 Route 17 North, Paramus, New Jersey 07652

Contract Amount: Estimated cost of \$533,292.00

Funding Source: City of Newark Budget Lines

Contract Period: January 1, 2013 through December 31, 2013

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:

Resolution #7R1-AA080112

WHEREAS, through the adoption of appropriate Resolution, 7RI-L(AS) adopted on March 2, 2011, as the result of collective bargaining negotiations, the City of Newark (the "City"), New Jersey, 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 \$46.78 per subscriber; and

WHEREAS, the City desires to enter into a contract with Group Dental for the purpose of providing closed panel dental services for the contract period January 1, 2013 through December 31,

2013 for an estimated cost of \$533,292.00 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), and 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 ratify and execute a contract with Group Dental, whose address is 66 Route 17 North, Paramus, New Jersey 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, 2013 and terminating on December 31, 2013, 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, 2013 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 in accordance with the requirements of N.J.S.A. 40A:11-5(1)(a)(ii), an Extraordinary Unspecifiable Services 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, 2013 through December 31, 2013 is \$533,292.00.

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 2013 Municipal Budget, designated for Group Dental, for the purposes set forth herein:

Certifying Amount	Fund Code	Agency	Organization	Object
\$136,000.00	011	200	2001	60220
\$6,005.00	037	750	7503	60220
\$908.00	038	800	8004	60220
\$1,841.00	011	010	0111	60220

9. This is an open-ended contract to be used as needed during the term of the contract. Thus, for any and all expenditures against this contract, certification of the availability of sufficient funds, as required by N.J.A.C. 5:30-5.5(b)(2), shall be executed before a contractual liability is incurred each time an order is placed, covering the amount of the order. If operating under a temporary budget, the City shall comply with N.J.A.C. 5:30-5.5(a)(1) and (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 Health Administrators Inc., 66 Route 17 North, Paramus, New Jersey 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, 2013 and terminating on December 31, 2013. 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), an Extraordinary Unspecifiable Services and is in compliance with Executive Order MEO-07-0001, effective March 31, 2007.