



Human Resources

One Government Center
Suite 1920
Toledo, Ohio 43604
phone 419-245-1500
fax 419-245-1511

toledo.oh.gov

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To: Legislation Review Committee

From: Tyrome Alexander, Director, Department of Human Resources

Subject: Extension of current Health Plan Third Party Administrator (TPA) Contract

In 2018, the Department of Human Resources sought competitive proposals for a Third-Party Administrator (TPA) for healthcare services. HealthSCOPE Benefits was awarded the contract. The current contract expires September 30, 2021.

The Department of Human Resources is requesting the current contract with HealthSCOPE Benefits be extended through May 31, 2022 due to the following reasons:

- In the year 2021, the Human Resources Department has seven (7) healthcare related contracts that set to expire. The most intensive is the upcoming contract for Pharmacy benefits, which can take 4-6 months to go through the selection, evaluation, and implementation process,
- The department simply does not have the manpower, in 2021, to take on the critical task of publishing, reviewing and implementing a contract as important as healthcare.
- Extension of the contract through May 31, 2022 aligns with our Open Enrollment period. If a new third-party administrator is selected by the current expiration date of September 30, 2021, the organization would be forced to conduct two open enrollment sessions in 2021. This would be extremely labor intensive and disruptive to our employees.

Please let me know if you have any questions or need additional information.