



CITY OF SAN MATEO

City Hall
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Agenda Report

Agenda Number: {{item.number}}

Section Name: {{section.name}}

File ID: {{item.tracking_number}}

TO: City Council
FROM: Drew Corbett, City Manager
PREPARED BY: Human Resources Department
MEETING DATE: June 15, 2020
SUBJECT:
Vision Service Plan – Amendment

RECOMMENDATION:

Approve Amendment No. 5 to the agreement with Vision Service Plan for employee vision insurance for an extension of two years from July 1, 2020 to June 30, 2022, and authorize the Human Resources Director to sign the amendment.

BACKGROUND:

Vision Service Plan (VSP) has provided vision insurance to the City employees from 1977 to the present. VSP has consistently provided high quality service and satisfaction to both clients and vendors. They offer an extensive choice of providers, and claim management is efficient and timely.

ABD Insurance and Financial Services, our benefits broker, marketed our program two years ago, and four vendors responded. Of the four vendors, VSP provided the bigger and better network, and provided a savings for our employees. Also, VSP had slightly decreased their premium in order to stay competitive with the other vendors. For these reasons, our broker recommended we renew our contract for two years under the same terms. It was renewed from July 1, 2018 to June 30, 2020.

VSP is offering two years with no rate increases from July 1, 2020 to June 30, 2022. ABD insurance recommends we take advantage of VSP's rate pass and renew our contract for the next two years, and we concur in this recommendation.

BUDGET IMPACT:

Adequate funds are provided in the Benefits Trust Fund. There will be no increase in costs; current rates will remain in effect for the two-year term of the contract, July 1, 2020 - June 30, 2022. Approximate annual cost is \$74,000.

ENVIRONMENTAL DETERMINATION:

This amendment is not a project subject to CEQA, because it can be seen with certainty that it will not cause a physical change in the environment. (Public Resources Code Section 21065.)

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 - 2020 VSP Amendment
Att 2 - 2009 VSP Agreement

STAFF CONTACT

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