Minutes – Executive Policy Committee – May 7, 2019

REPORTS

Item No. 5 Single Source Approval for the Provision of Employee Family Assistance (Counselling) Services, Materials Management Reference No. 417-2019

EXECUTIVE POLICY COMMITTEE DECISION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service, that single source negotiations be approved for a contract extension with United Health Services Corporation dba Manitoba Blue Cross in the estimated amount of $160,000, plus GST and MRST, for the Provision of Employee Family Assistance (Counselling) Services, for the period of May 7, 2019 to December 31, 2019.

DECISION MAKING HISTORY:

Moved by Councillor Rollins,

That the recommendation of the Winnipeg Public Service be concurred in.

Carried

ADMINISTRATIVE REPORT

Title: SINGLE SOURCE APPROVAL FOR THE PROVISION OF EMPLOYEE FAMILY ASSISTANCE (COUNSELLING) SERVICES, Materials Management Reference No. 417-2019

Critical Path: Executive Policy Committee

AUTHORIZATION

Author	Department Head	CFO	CAO
R. Kirby	A. Cusson	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

This report requests approval of single source negotiations to extend a current contract identified as United Health Services Corporation, operating under the business name of Manitoba Blue Cross, up until December 31, 2019, for the Provision of Employee Assistance (Counselling) Services.

Employee Assistance Benefits are currently provided to City Employees by United Health Services Corporation dba Manitoba Blue Cross, pursuant to RFP #51-2013, which expires May 6, 2019. A new RFP for the provision of Employee Assistance Benefits is currently being created by Human Resources Services. A number of unexpected events and unanticipated requirements resulted in significant delays in an otherwise straightforward new RFP process. This new RFP is subject to a Cloud Review, a newly introduced, mandatory process designed to address the potential records management, privacy, legal, procurement, and IT security risks associated with cloud computing opportunities, which is a 2-stage process that can add significant time to the process. Maintaining the contract with the current provider ensures that employees and their immediate family have access to the Employee Family Assistance Services until such time as the new RFP is awarded.

The subject matter of this Report is compliant with the Materials Management Policy, but not the applicable Trade Agreement(s), with further details included in the history section.

RECOMMENDATIONS

1. That Executive Policy Committee approve single source negotiations for a contract extension with United Health Services Corporation dba Manitoba Blue Cross in the estimated amount of $160,000, plus GST and MRST, for the Provision of Employee Family Assistance (Counselling) Services, for the period of May 7, 2019 to December 31, 2019.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Executive Policy Committee has delegated authority to approve the single source negotiation where the single source is not permitted under the various Trade Agreements, pursuant to B8.1.1b of Material Management Policy.

IMPLICATIONS OF THE RECOMMENDATIONS

The financial impact of the subsequent award, if single source negotiations are approved by the Executive Policy Committee, will be funded by the Human Resources Department. Counselling and consultation services will be maintained for City of Winnipeg employees and immediate family members.

HISTORY/DISCUSSION

The City of Winnipeg has provided confidential counseling and consultation to employees since 1977. It was delivered internally by staff until 2010.

All levels of government, as well as, large employers within Winnipeg, provide Employee Assistance Program services to their employees. It is viewed as a basic workplace wellness program which supports employee productivity and attendance. As such, it is in the City's best interests to maintain these types of services for our employees.

An RFP was issued for the Provision of Employee Assistance (Counselling) Services – 51-2103. It closed on March 15, 2013. Four (4) bids were received. All the bids appeared to be responsive.

RFP 51-2013 allowed Bidders to respond with proposals for the provision of short term, confidential counselling and referral for long term assistance to approximately seven thousand and two hundred (7200) employees and their immediate family members/dependents, (excluding Winnipeg Police Service). In accordance with Clause D2.3, Bidders were informed the City may, at its option, also purchase wellness workshops.

United Health Services Corporation has registered the business name "Manitoba Blue Cross" and has been providing services under that name.

The RFP 51-2013 expired on May 4, 2018. On March 22, 2018, the Acting CFO approved a one (1) year extension from May 5, 2018 through May 6, 2019, as the City is currently undergoing a full benefit strategy review by HUB International, which includes the Employee Assistance Program.

On January 2, 2019, Materials Management sent a reminder to the Contract Administrator that the contract was due to expire May 6, 2019 and no further extensions were available. The Public Service took immediate action and advised our benefits consultant, HUB International, concerning the impending deadline;

- Per the contractual relationship between the City and HUB International, the development of the RFP to replace 51-2013 was assigned to HUB International who at this time requested a variety of information from the City of Winnipeg.
- On February 28, 2019, a draft of the new RFP was submitted to Materials Management, at which time the Department was advised of the mandatory Cloud Review process.

- The Review of Cloud Computing Opportunities Administrative Standard (IT-008) became effective December 2018. The Administrative Standard introduced a mandatory, 2-stage Cloud review process created to address the potential records management, privacy, legal, procurement, and IT security risks associated with cloud computing opportunities.
- In order for the Cloud Review committee to gain necessary information for their review, the Contract Administrator was required to undertake an initial assessment and respond to a series of technical related questions (approximately 50).
- The Department submitted their first stage Cloud Review proposal on March 19, 2019. On March 26, 2019, the Cloud Review Committee approved the proposal with a number of requirements that were to be incorporated into the development of the new RFP.
- The Contract Administrator has since submitted a new draft of the RFP to Materials Management for review.
- Once the bid closes and a potential proponent has been identified, the Department must submit the proposed Cloud solution for the second stage of the Cloud Review, and must receive a response to validate the identified solution prior to award of contract.
- Per Section 3 of Administrative Standard IT-008, feedback for each stage is generally provided within two (2) weeks.

Maintaining the contract with the current provider ensures that employees and their immediate family have access to the Employee Family Assistance Services until the new RFP is awarded.

Following the approval of the Recommendation of this Report, a subsequent Report recommending award of the extension will be prepared for the Chief Financial Officer's consideration.

This procurement is subject to the New West Partnership Agreement ("NWPTA"), which incorporates the requirements of the Canadian Free Trade Agreement ("CFTA") and the Comprehensive Economic and Trade Agreement ("CETA", collectively the "Trade Agreements"). The Trade Agreements do not appear to contain an exception that would permit the action in Recommendation 1 of this Report. In the opinion of the public service, there is a risk a complaint could be brought against the City pursuant to the Trade Agreements should Executive Policy Committee approve this Recommendation.

FINANCIAL IMPACT

Financial Impact Statement

Date: April 17, 2019

Project Name:

First Year of Program **2019**

SINGLE SOURCE APPROVAL FOR THE PROVISION OF EMPLOYEE FAMILY ASSISTANCE (COUNSELLING) SERVICES, Materials Management Reference No. 417 2019

	2019	2020	2021	2022	2023
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 160,000		$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 160,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	160,000	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. There is no financial impact associated with the single source negotiation of this contract. If subsequently awarded by the Chief Financial Officer, the cost of this contract is estimated at $160,000, plus GST and MRST as applicable for the contract period from May 7, 2019 to December 31, 2019.

2. Should this contract be subequently awarded, funding is available from the Human Resource Department 2019 operating budget.

(Original signed by T. Yanchishyn)

Tanis Yanchishyn
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

Legal Services Department (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

N/A

SUBMITTED BY

Department: Human Resource Services
Division: Labour Relations
Prepared by: R. Kirby, Manager Labour Relations
Date: April 24, 2019
File No: