

**A RESOLUTION**

**Proposed Resolution  
19-1170**

*To declare the existence of an emergency with respect to the need to approve Contract No. NFPHC-MC-002a to provide health benefits to eligible Not-for-Profit Hospital Corporation employees; Contract No. NFPHC-MC-002b to provide health benefits to eligible employees; Contract No. NFPHC-MC-002c to provide health benefits to eligible employees; and to authorize payment for the services received and to be received under the contracts.*

**See Emergency Act  
D.C. Act 19-596  
20 DCSTAT 309**

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “NFPHC Omnibus Health Benefits Approval and Payment Authorization Emergency Declaration Resolution of 2012”.

**NFPHC Omnibus  
Health Benefits  
Approval and  
Payment  
Authorization  
Emergency  
Declaration  
Resolution of 2012**

Sec. 2. (a) In the winter of 2010, only months after the establishment of the Not-for-Profit Hospital Corporation (“NFPHC”) as an instrumentality of the District of Columbia operating the only District hospital east of the Anacostia River, the NFPHC, through its insurance brokers, competitively bid the provision of health benefits for its employees. Group Hospitalization and Medical Services, Inc., d/b/a CareFirst BlueCross BlueShield, and CareFirst BlueChoice, Inc., (“CareFirst”) quoted the lowest price for the best services.

(b) The NFPHC entered into a contract with CareFirst for the provision of health benefits to its eligible employees for January 1-December 31, 2011.

(c) Council approval is necessary for NFPHC-MC-002c because this contract for the provision of these vital services, with a cost to NFPHC of \$1,361,766.41, was paid by NFPHC to CareFirst, without prior Council approval and is in excess of \$1 million in a 12-month period.

(d) The NFPHC has taken necessary steps to prevent future occurrences, including purchasing a contracts database and hiring additional contract personnel.

Sec. 3. (a) In the winter of 2011, the NFPHC, through its insurance brokers, competitively bid the provision of health benefits for its employees for calendar year 2012. CareFirst quoted the lowest price for the best services, with no change in premium rates.

(b) The NFPHC entered into a contract with CareFirst for the provision of health benefits to its eligible employees for January 1-December 31, 2012.

(c) Council approval is necessary for NFPHC-MC-002b because this contract for the provision of these vital services, with a cost to NFPHC of \$1,361,766.41, is in excess of \$1 million in a 12-month period.

(d) The NFPHC has taken necessary steps to prevent future occurrences, including purchasing a contracts database and hiring additional contract personnel.

Sec. 4. (a) In the winter of 2012, the NFPHC, through its insurance brokers, competitively bid the provision of health benefits for its employees for calendar year 2013. CareFirst worked cooperatively with NFPHC management, including its finance department under the purview of the Office of the Chief Financial Officer, to negotiate market competitive rates based on benchmark data analysis in the Washington metropolitan area.

(b) The NFPHC proposes to enter into a contract with CareFirst for the provision of health benefits to its eligible employees for January 1-December 31, 2013.

(c) Council approval is necessary for NFPHC-MC-002a to allow this contract, with a cost to NFPHC of \$1,933,550.67, to be paid as it is in excess of \$1 million in a 12-month period.

Sec. 5 Council approval of these contracts is necessary to enable the NFPHC to continue to provide its employees at the only District of Columbia hospital east of the Anacostia River with high-quality health benefits. Doing so will allow the NFPHC to maintain a healthier group of employees, which decreases overall absenteeism rates, increases productivity, and improves the overall quality of life for these employees. Lastly, approval of the contracts will allow NFPHC to continue to be competitive with other hospitals in recruiting and retaining a high-quality workforce.

Sec. 6. The Council of the District of Columbia determines that the circumstances enumerated in sections 2 through 5 constitute emergency circumstances making it necessary that the NFPHC Omnibus Health Benefits Approval and Payment Authorization Emergency Act of 2012 be adopted after a single reading.

Sec. 7. This resolution shall take effect immediately.