

ACTION ITEM MEMO

Port of Tacoma Commission



Item No: 5C
Meeting Date: 12/17/24

DATE: November 25, 2024
TO: Port of Tacoma Commission
FROM: Eric Johnson, Executive Director
Sponsor: Michael Dehner, Interim Chief Human Resources Officer
Project Manager: Trisha Perez, Manager, Human Resources
SUBJECT: 2025 TSO Benefit Contract Renewal

A. ACTION REQUESTED

Commission approval of a vendor contract renewal for Regence Blue Shield for Terminal Security Officers' medical and dental insurance coverage.

B. BACKGROUND

The Master Policy Resolution requires Commission approval for any benefit vendor contract exceeding \$300,000. The Master Policy Resolution does not exempt personal services contracts, and benefit vendor contracts are considered personal services contracts.

The Terminal Security Officers have medical and dental coverage through a fully insured plan provided by Regence Blue Shield. These premium costs are fully reimbursed by SSA. The total premium for the upcoming plan year of February 1, 2025, through January 31, 2026, is estimated to be \$472,858. The Port enters agreements annually for this service.

C. FINANCIAL SUMMARY

Cost: The cost of the contract renewal reflects a negotiated rate increase of 10.0% over the prior year.

| Vendor | Contract / Policy Number | Contract Period | Cost |
|---------------------|--------------------------|----------------------------|-----------|
| Regence Blue Shield | 071137 | Feb 1, 2025 - Jan 31, 2026 | \$472,858 |

D. NEXT STEPS

Upon approval the contract will be renewed through January 31, 2025.