



Date: August 16, 2021  
Current Meeting: August 19, 2021  
Board Meeting: August 26, 2021

**BOARD MEMORANDUM**

**TO:** Indianapolis Public Transportation Corporation (IPTC) Board of Directors  
**THROUGH:** President/CEO Inez P. Evans  
**FROM:** Vice President for Human Resources Jeff Brown  
**SUBJECT:** Consideration and Approval to Negotiate a Contract with Marathon Health for On-Site Clinic and Wellness Program

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**ACTION ITEM A – 4**

**RECOMMENDATION:**

In a manner consistent with IPTC procurement and contract award standards, we request that the Board of Directors authorize the President/CEO to negotiate with Marathon Health and if successful, enter into a three (3) year contract (with two (2) option years) with Marathon Health to manage the on-site clinic and wellness program utilized by represented and non-represented employees in the amount of \$3,638,219.00.

**BACKGROUND:**

IPTC takes a progressive approach to create a healthier workforce and as such provides a comprehensive benefits package to our workforce. IPTC realizes the importance of health and wellness of our work population and the operational and financial impact health and wellness has on our organization as a whole. Moreover, IPTC wants its employees to lead balanced lives and commit to developing lifelong habits of wellness, and therefore, promoting health and reducing healthcare costs is a priority. On-site health and wellness clinics help control today's healthcare costs. On-site clinics provide preventive care and treatment to employees, thus increasing their attendance at work. And on-site clinics are particularly beneficial for decreasing the number of off-site, health-related, patient care visits.

At present, IPTC maintains an on-site health and wellness clinic that is owned and operated by a third-party contractor Everside Health (formerly the Activate Health), which is set to expire in March 2022. The clinic is currently staffed with a part-time primary care physician who is also a certified Commercial Driver's License ("CDL") medical examiner, a full-time nurse practitioner and medical assistant. All employees and dependents of employees who are covered under the group health insurance provided by IPTC have access to the clinic for primary care/immediate and urgent care. In addition to the on-site clinic, IPTC enhanced the wellness program model, which is managed by the on-site clinic third party contractor and available to all IPTC employees. The goal of the wellness program is to improve awareness of healthy living and overall well-being of IPTC employees. The wellness program has been and continues to be collectively negotiated with Amalgamated Transit Union ("ATU") Local 1070 and contains four (4) components and a premium reduction incentive based on quarterly participation. Even with the on-site clinic and wellness program, IPTC's healthcare costs are rising substantially. IPTC is self-insured, and therefore, claims are analyzed when renewing the health plan. IPTC's health benefits consultant has advised that costs will continue to increase unless changes occur, including wellness. To this end, IPTC released a Request for Proposal ("RFP") on March 30, 2021 seeking proposals to operate and manage an on-site health and wellness clinic available to all employees.

**DISCUSSION:**

The purpose of the RFP was to select a vendor that can satisfy IPTC's need for an onsite health and wellness clinic at IPTC's current headquarters located at 1501 W. Washington and its new East Campus located on the eastside of

Indianapolis. IPTC is seeking an onsite health and wellness clinic to provide health primary health care services and most importantly engage all full-time active employees in wellness activities. The goal of the wellness program is to ideally help improve employee health, proactively treat certain chronic health conditions, boost morale, reduce stress, create a culture of wellness, and mitigate higher claims. In releasing the RFP, IPTC changed the scope of the RFP to place greater importance and focus on improving wellness. IPTC also retained a consultant to assist with the RFP process and selection of a vendor. These measures were all designed to achieve savings by way of better wellness data moving forward.

IPTC received twelve (12) bids in response to the RFP, eleven (11) of which were deemed responsive and responsible. The Evaluation Committee was initially comprised of represented and non-represented employees, however, two of those members who were union members declined or withdrew from the committee. After the initial scoring by the Evaluation Committee, four (4) vendors were invited to participate in interviews. The interviews enabled the evaluation committee to learn more about each vendors' ability to present a service model to assist IPTC in controlling health care costs that currently aligns with the wellness program for the IPTC workforce, including the criteria for employees outlined in the collective bargaining agreement between IPTC and the ATU. The following are additional points during the interviews and review of proposals:

1. On-site clinical services offered that can meet the needs of IPTC employees.
2. Solutions to effectively manage or prevent moderate-to-high risk conditions and expertise to move IPTC forward to the next level by strengthening our wellness/compliancy programs for a higher return on investment ("ROI").
3. Ability to help IPTC become an employer of choice by providing employees with convenient and reliable care and wellness services, proactive strategy to maintain or improve their health and productivity with established goals and action plans, and to increase engagement.
4. Ability to provide services such as outreach programs, helping employee's schedule referral and wellness appointments with their primary care physician and/or specialist if necessary.

The interviews were scored based on the presentations, a best and final cost offer, experience, and quality of the firm, and overall approach to the scope of work. In addition, Union leadership was given the opportunity to meet with Marathon Health and ask questions about its proposal and qualifications. Based on all of these scoring factors, Marathon Health was identified as the successful vendor. Marathon Health stood out as the most experienced vendor that was able to meet the evaluation criteria and needs of the IPTC workforce, and a snapshot of those credentials is as follows:

- Will staff a forty (40) hour per week on-site primary care clinic at 1501 West Washington Street, and eventually at the East Campus.
- Provides seven locations across the Indianapolis – Marion County area with staggered hours to offer access in evenings and on weekends.
- Network will allow employers to provide an even greater set of access points for their employees, spouses, and dependents. This approach offers members convenient access to care, driving greater utilization among our populations and improving the overall effectiveness and cost-savings potential for employers.
- Will provide a 24/7 virtual care solution gives members convenient access to a care team at any time 365 days a year.
- Online patient portal includes access to health records including lab & screening results, visit summaries, immunization records wellness and incentive progress, appointment tracking, and prescription refills.
- Has a mobile application (available for both Apple and Android devices) that mirrors the web-based Patient Portal plus additional functions including: - Health reminders.
- Offered the lowest bid of all four of the vendors who were interviewed.

In summary, Marathon Health offered the best, most comprehensive, and cost-effective proposal that will provide the best overall value for the quality and level of services for IPTC employees and families. For these reasons, we recommend the Board authorize the President/CEO to negotiate with Marathon Health, and if successful, enter into a three (3) year contract (with two (2) option years) with Marathon Health to manage the on-site clinic and wellness program.

**ALTERNATIVES:**

The Board could choose not to award this contract to Marathon, Health, the recommended vendor, and direct the CEO to negotiate with another vendor.

**FISCAL IMPACT:**

The total cost of this procurement for the on-site clinic and wellness program is projected to be \$3,638,219.00, subject to increase or decrease based on future enrollments. Human Resources will work with Finance to manage the funding of this procurement with the existing budget for each year of the contract.

**DBE/XBE DECLARATION:**

This contract will be funded by the Operations budget, and therefore, it does not require an established Disadvantaged Business Enterprise Program (“DBE”) participation goal. Given the complexity and nature of this opportunity subcontracting possibilities were limited. It is our continued commitment to partner with certified “XBE” firms with the City of Indianapolis Office of Minority and Women Business Development and the Indiana Department of Administration Division of Supplier Diversity when opportunities present themselves.

**STANDING COMMITTEE DISCUSSION/RECOMMENDATION:**

This action will be reviewed by the Finance Committee and Service Committee on August 19, 2021.