

ENROLLED ORIGINAL

A RESOLUTION

20-521

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

June 24, 2014

To declare the existence of an emergency with respect to the need to approve Contract No. NFPHC-208a (2012-2013) to provide workers' compensation insurance to the Not-for-Profit Hospital Corporation; Contract No. NFPHC-208b (2013-2014) to provide workers' compensation insurance to the Not-for-Profit Hospital Corporation; and to authorize payment for the services received and to be received under the contracts.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the "NFPHC Omnibus Employee Workers' Compensation Insurance Approval and Payment Authorization Emergency Declaration Resolution of 2014".

Sec. 2. (a) The Not-for-Profit Hospital Corporation ("NFPHC"), through its insurance brokers, competitively bid employee workers' compensation insurance for July 9, 2010 through July 9, 2011, and July 9, 2011 through July 9, 2012. For each of these periods, National Union Fire Insurance Company ("National") of Pittsburgh, PA quoted the lowest price for the best coverage, and since each policy was under \$1,000,000.00 in a 12-month period, Council approval is not required.

(b) In early 2012, the NFPHC, through its insurance brokers, competitively bid the workers' compensation insurance coverage for the subsequent 2012-2013 period. National quoted the lowest price for the best coverage and permitted installment payments without indemnifications, thereby allowing the NFPHC to comply with the federal and local Anti-Deficiency Acts.

(c) The NFPHC purchased the workers' compensation policy from National for the July 9, 2012 through July 9, 2013 period.

(d) Approval is needed for NFPHC-208a because this policy, with a cost to NFPHC of \$1,057,121.00, was paid without proper Council approval.

(e) The NFPHC has taken necessary steps, including additional education of NFPHC employees, brokers and insurance vendors, to prevent future occurrences.

(f) In early 2013, the NFPHC, through its insurance brokers, competitively bid workers' compensation insurance coverage for the 2013-2014 period. National quoted the lowest price for the best coverage and permitted installment payments without indemnifications, thereby allowing the NFPHC to comply with the federal and local Anti-Deficiency Acts.

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(g) The NFPHC purchased the workers' compensation from National for the July 9, 2013-July 9, 2014 period.

(h) Approval is needed for NFPHC-208b because this policy, with a cost to NFPHC of \$1,065,272.00, is being paid without proper Council approval.

(i) The NFPHC has taken necessary steps, including additional education of NFPHC employees, brokers and insurance vendors, to prevent future occurrences.

(j) Emergency approval of the 2012-2013 policy and the 2013-2014 policy is necessary so that NFPHC can continue to provide workers' compensation insurance coverage for its employees. Without this approval, National cannot be paid for these critical services provided and to be provided in excess of \$999,999.99.

Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in section 2 constitutes emergency circumstances making it necessary that the NFPHC Omnibus Employee Workers' Compensation Insurance Approval and Payment Authorization Emergency Act of 2014 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.