

MEMORANDUM

TO: Claire Powell, City Manager

FROM: Marva L. Perry, HR Analyst Risk Management

VIA: Tadd Phillips, Director of Human Resources

DATE: February 5, 2024

SUBJECT: **Approval of an Agreement with Occumed Plus - CFB, LLC for Occupational Health Services; and Authorization for the City Manager, or Her Designee, to Execute all Necessary Documents.**

BACKGROUND

Concentra Urgent Care has been the City's preferred occupational medical provider since January 10, 2013, providing the City occupational services for injured employees, physical therapy, drug screening, physical exam, and pre-employment screening services. In 2021 a committee including a cross-section of city employees evaluated occupational health proposals and recommended a continued relationship with Concentra.

In addition to providing occupational health services for employees, Concentra provides urgent care services to the public which results in longer wait times and potential exposure to illness for the city's employees. Over the last year, staff evaluated options to provide employees more than one preferred occupational health partner option. Adding an additional occupational health provider not only addresses the frustration expressed, but also reduces wait time and allows employees the option to select the provider of their choice. As a result of the research, staff recommends OccuMed as a reputable additional provider. OccuMed exclusively provides treatment for work-related injuries, drug screenings, physical therapy, physical exams, and pre-employment services for persons employed by companies in North Texas and the surrounding areas.

ANALYSIS

Under Texas Local Government Code 2254.002, the City may enter into a Professional Service Agreement for licensed physicians and medical services on the basis of demonstrated competence. OccuMed has a strong track record of partnership with municipal employers for occupational health including the cities of McKinney, Allen, Garland, Richardson, and many others at market competitive prices. OccuMed's newly opened office in west Carrollton now provides a convenient location for our employees to utilize.

The City spent \$157,413 on occupational health services in fiscal year 2023 with a single preferred provider. Staff has successfully negotiated a fee structure with OccuMed that is comparable to the Concentra fee structure. Therefore, if the same services were required in the upcoming year, the

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cost to the city would be comparable but now split between the two occupational health providers OccuMed and Concentra. Funds for these activities are currently budgeted for in the Self Insurance Risk Fund.

CITY STAFF'S RECOMMENDATION

That the City Council approve the agreement and authorize the City Manager, or her designee, to execute all necessary documents as set forth in the caption above.