



# Fulton County

## Legislation Details (With Text)

**File #:** 21-0649      **Version:** 1      **Name:**

**Type:** CM Action Item - Open & Responsible Government      **Status:** Passed

**File created:** 7/12/2021      **In control:** Board of Commissioners

**On agenda:** 9/1/2021      **Final action:**

**Title:** Request approval to renew existing contracts - Finance Department, 19-RFP060519C-MH, for Employee Healthcare Benefit Plan for fully self-insured HMO Plan with: (A) Anthem (BCBS) of Georgia to administer the Health Maintenance Organization (HMO), Point of Service (POS) Plan and CDHP with Health Savings Account (HSA) Plan on a self-insured basis to active employees and Pre-65 (Non-Medicare) retirees/beneficiaries as well as the HMO Medicare, Medicare Indemnity PPO and PPO Plus (Closed) Plans to Medicare eligible retirees/beneficiaries; and, (B) for Kaiser Permanente (Atlanta, GA) to administer to active employees and Pre-65 (Non-Medicare) retirees/beneficiaries and the Senior Advantage Plan to Medicare retirees/beneficiaries. This action exercises the second of four renewal options. Two renewal options remain. Effective date: January 1, 2022 through December 31, 2022. (APPROVED)

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Exhibit 1 CONTRACT RENEWAL AGREEMENT FORM - anthem, 2. Exhibit 2 CONTRACT RENEWAL AGREEMENT FORM - KAISER, 3. Exhibit 3 Contract Renewal Evaluation Form, 4. Exhibit 4 Contractor Performance Report Anthem, 5. Exhibit 5 Contractor Performance Report Kaiser, 6. 2021-0649

Date	Ver.	Action By	Action	Result
9/1/2021	1	Board of Commissioners	approve	Pass

### Department

Finance

### Requested Action *(Identify appropriate Action or Motion, purpose, cost, timeframe, etc.)*

Request approval to renew existing contracts - Finance Department, 19-RFP060519C-MH, for Employee Healthcare Benefit Plan for fully self-insured HMO Plan with: (A) Anthem (BCBS) of Georgia to administer the Health Maintenance Organization (HMO), Point of Service (POS) Plan and CDHP with Health Savings Account (HSA) Plan on a self-insured basis to active employees and Pre-65 (Non-Medicare) retirees/beneficiaries as well as the HMO Medicare, Medicare Indemnity PPO and PPO Plus (Closed) Plans to Medicare eligible retirees/beneficiaries; and, (B) for Kaiser Permanente (Atlanta, GA) to administer to active employees and Pre-65 (Non-Medicare) retirees/beneficiaries and the Senior Advantage Plan to Medicare retirees/beneficiaries. This action exercises the second of four renewal options. Two renewal options remain. Effective date: January 1, 2022 through December 31, 2022. **(APPROVED)**

### Requirement for Board Action *(Cite specific Board policy, statute or code requirement)*

In accordance with Purchasing Code Section 102-394(6), the Purchasing Department shall present

all renewal requests to the Board of Commissioners at least 90 days prior to the contract renewal date or 60 days if the contract term is six (6) months or less.

**Strategic Priority Area related to this item** *(If yes, note strategic priority area below)*

**Open and Responsible Government**

**Commission Districts Affected**

- All Districts
- District 1
- District 2
- District 3
- District 4
- District 5
- District 6

**Is this a purchasing item?**

Yes

**Summary & Background** *(First sentence includes Agency recommendation. Provide an executive summary of the action that gives an overview of the relevant details for the item.)*

**Scope of Work:** This contract is for employer-sponsored group medical and pharmacy benefits coverage. The contract provides Medical Plan Administration, Claims Adjudication, Reporting, Wellness and Disease Management Programs, Employee Assistance Program (EAP), Mental Health and COBRA Administration and Pharmacy Benefits to eligible employees and retirees/beneficiaries. The medical plans administered by Anthem are under a self-insured arrangement and the Kaiser HMO plans are under a fully-insured arrangement. **Anthem:** The 2022 admin fees for Anthem's plans will remain fixed over the five year contract cycle at the current rate of \$40.34 per employee/retiree per month. Anthem will continue to provide annual prorated wellness fund dollars at the rate of \$71.81 per enrolled employee and Pre-65 (Non-Medicare) retiree. Anthem has offered a \$100,000 annual subsidy towards communication, implementation and technology. Anthem also administers COBRA and Employee Assistance Program (EAP) at the rate of \$0.63 and \$2.04, respectively, per enrollee/per month. This administrative fee is guaranteed to remain flat over the duration of the contract with an annual one month premium administrative fee holiday. Anthem's network continues to offer the greatest estimated discount based on the utilization patterns of members and the greatest network discount guarantee. **Kaiser:** Kaiser Permanente's staff model is highly touted for health management in terms of efficiency and their holistic approach to health care. Kaiser's fully insured HMO and Senior Advantage Medicare Plans continue to offer the best value in terms of cost.

ENROLLEE TYPE	COVERAGE LEVEL	2021 RATES	2022 PROPOSED RATES
<b>Kaiser HMO</b>			
Active Employees	Employee Only	\$565.93	\$605.52
	Employee +1	\$1,081.83	\$1,157.52
	Family	\$1,410.35	\$1,509.02
Pre-65 Retirees Non-Medicare	Employee Only	\$766.93	\$820.58
	Employee +1	\$1,466.06	\$1,568.63
	Family	\$1,957.81	\$2,094.78
<b>Senior Advantage Plan</b>			
Medicare Retirees	Retiree Only	\$185.02	\$175.37
	Retiree + 1	\$370.03	\$350.74
	Family	\$555.05	\$526.11

**Community Impact:** None

**Department Recommendation:** The Finance Department recommend renewal of existing contracts with Anthem and Kaiser Permanente to administer medical and pharmacy benefits eligible employees, beneficiaries, retirees and covered dependents from January 1, 2022 - December 31, 2022 based on the admin fee and rate structures displayed above.

**Project Implications:** None

**Community Issues/Concerns:** None

**Department Issues/Concerns:** None

### Contract Modification

Current Contract History	BOC Item	Date	Dollar Amount
Original Award Amount	19-0618	8/7/19	per approved admin fees (Anthem) and approved tiered rates (Kaiser)
1st Renewal	20-0841	11/18/2020	per approved admin fees (Anthem) and approved tiered rates (Kaiser)
2 <sup>nd</sup> Renewal			
Total Revised Amount			

### Contract & Compliance Information *(Provide Contractor and Subcontractor details.)*

(A)  
**Contract Value:** Self-insured HMO Plan  
**Prime Vendor:** Anthem

**Prime Status:** Non-Minority  
**Location:** Atlanta, GA  
**County:** Fulton County  
**Prime Value:** Self-insured HMO Plan

**Subcontractor:** SCR Consulting  
**Subcontractor Status:** African American Male Business Enterprise- Certified  
**Location:** Atlanta, GA  
**County:** Fulton County  
**Contract Value:** Rate per employee

**Subcontractor:** Aegias Corporation  
**Subcontractor Status:** African American Male Business Enterprise- Certified  
**Location:** Atlanta, GA  
**County:** Fulton County  
**Contract Value:** Rate per employee

**Subcontractor:** Resurgens Risk Management  
**Subcontractor Status:** African American Male Business Enterprise- Non-Certified  
**Location:** Atlanta, GA  
**County:** Fulton County  
**Contract Value:** Rate per employee

**Total Contract Value:** Self-insured HMO Plan  
**Total M/FBE Value:** TBD

**(B)**  
**Contract Value:** Plan Rates As Specified  
**Prime Vendor:** Kaiser Permanente  
**Prime Status:** Non-Minority  
**Location:** Atlanta, GA  
**County:** Fulton County  
**Prime Value:** Plan Rates As Specified

**Subcontractor:** All Supply Company  
**Subcontractor Status:** African American Male Business Enterprise- Certified  
**Location:** Atlanta, GA  
**County:** Fulton County  
**Contract Value:** TBD

**Subcontractor:** Copy One  
**Subcontractor Status:** African American Male Business Enterprise- Non-Certified  
**Location:** Powder Springs, GA  
**County:** Cobb County  
**Contract Value:** TBD

**Subcontractor:** Americare  
**Subcontractor Status:** African American Female Business Enterprise- Non-Certified

**Location:** Norcross, GA  
**County:** Gwinnett County  
**Contract Value:** TBD

**Subcontractor:** Interprint Communication  
**Subcontractor Status:** Hispanic Female Business Enterprise- Non-Certified  
**Location:** Decatur, GA  
**County:** Dekalb County  
**Contract Value:** TBD

**Subcontractor:** Union Latina, Inc.  
**Subcontractor Status:** Non-Minority  
**Location:** Norcross, GA  
**County:** Gwinnett County  
**Contract Value:** TBD

**Total Contract Value:** Plan Rates As Specified  
**Total M/FBE Value:** TBD

**Exhibits Attached** *(Provide copies of originals, number exhibits consecutively, and label all exhibits in the upper right corner.)*

- Exhibit 1: Contract Renewal Agreements
- Exhibit 2: Contract Renewal Evaluation Form
- Exhibit 3: Contractor Performance Reports

**Contact Information** *(Type Name, Title, Agency and Phone)*

Ray Turner, Deputy Finance Director, 404-612-7737

Melissa Barnett, Employee Benefits Manager, Finance Department 404-612-4243

**Contract Attached**

Yes

**Previous Contracts**

Yes

**Total Contract Value**

Original Approved Amount:  
Previous Adjustments:  
This Request:  
TOTAL:

**Grant Information Summary**

Amount Requested:  Cash

Match Required:  In-Kind  
Start Date:  Approval to Award  
End Date:  Apply & Accept  
Match Account \$:

**Fiscal Impact / Funding Source**

**Funding Line 1:**

426-999-P003-1560: Group Insurance Stabilization, General Fund, Administrative

<b>Key Contract Terms</b>	
<b>Start Date:</b> 1/1/2022	<b>End Date:</b> 12/31/2022
<b>Cost Adjustment:</b>	<b>Renewal/Extension Terms:</b> 2 of Four Renewals

**Overall Contractor Performance Rating:**

**Would you select/recommend this vendor again?**

Yes

**Report Period Start:** 1/1/2022      **Report Period End:** 12/31/2022