



# Fulton County

## Legislation Text

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File #: 21-0404, Version: 1

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### Department

Finance

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

Request approval to amend an existing contract - Finance Department, 19RFP10172019C-BKJ, Health Benefits Consulting in the amount of \$180,000.00 with Segal Company, Inc. (Atlanta, GA) to amend the scope of work to include benefits claims audit services for the Anthem medical and pharmacy plans, Aetna dental PPO, and Kaiser HMO plan. Effective upon BOC approval.

**(APPROVED)**

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

In accordance with Purchasing Code Section 102-420, contract modifications within the scope of the contract and necessary for contract completion of the contract, in the specifications, services, time of performance or terms and conditions of the contract shall be forwarded to the Board of Commissioners for approval.

### Strategic Priority Area related to this item

Open and Responsible Government

### Summary & Background

**Scope of Work:** This request is to amend the scope of work of the existing Health Benefits Consulting Services contract with Segal to include audits of benefit claims and administration services for the self-funded medical and Pharmacy plans administered by Anthem/IngenioRx; self-funded dental PPO, administered by Aetna; and, the Fully-Insured Kaiser HMO Plan. The scope of the audit service will include but is not limited to: adjudication procedures review, statistical and target sample claims review, performance standard validation, financial review (only for self-funded plans) and a Report of Findings. Audits taking place during the 2021 plan year will evaluate claims paid during the 2020 plan year. Audits taking place during the 2022 plan year will evaluate claims paid during the 2021 plan year. Segal will perform each audit using evaluation protocols specific to the type of benefits under review. The terms of the County's Agreement with the Administrator, the Administrator's audit policy, and the Confidentiality Agreement will guide the audit with regard to sample size, selection methodology (random and/or target), and timeliness of project completion. The written report will be presented for the Administrator's review and comment prior to release to the County. Segal's Benefit Audit Solutions (BAS) Practice represents a team of experts having a balance of technical depth and strategic sense along with extensive experience evaluating and auditing complex contracts and benefit plans. Since 1973, Segal has been auditing insured and self-funded health plans of all sizes and benefit structures. Segal has no affiliations or partnerships with

any carriers, third-party administrators, or pharmacy benefit managers (PBMs). Segal's auditors are prior claim examiners with extensive backgrounds in claims processing and auditing. This experience makes them uniquely qualified to evaluate procedures, suggest improvement and ensure proper controls are in place for administration. It is estimated that the full audit will take up to ten months to complete. The audit for the self-funded Medical/Rx and Dental Plans will begin in 2021, upon Board approval. The audit of the Kaiser fully-insured HMO plan will begin in 2022 based on Kaiser's audit schedule.

**Community Impact:** None

**Department Recommendation:** The Finance Department recommends approval of the contract amendment to allow the County's health benefits consultant, Segal, to perform the claims audit of the County's self-funded medical, pharmacy and dental PPO plans and the fully-insured Kaiser HMO Plan. As the existing consultant, Segal is the most suitable and has the technical expertise to perform the audit services. They are familiar with the County's plans and administrators, performing benefit analyses, financial analyses, review of plan documents for compliance, claims analyses, cost projections for design changes and annual budget development, rate setting and contribution strategy, plan design/cost share recommendations, draft healthcare benefits Request for Proposal (RFP) specification, and evaluate proposals.

**Project Implications:** None

**Community Issues/Concerns:** None

**Department Issues/Concerns:** None

**Contract Compliance:**

**Contract Value:** \$180,000.00  
**Prime Vendor:** Segal Company, Inc.  
**Prime Status:** Non-Minority  
**Location:** Atlanta, GA  
**County:** Fulton County  
**Prime Value:** \$180,000.00 or 100.00%

**Total Contract Value:** \$180,000.00 or 100.00%  
**Total M/FBE Value:** \$-0-

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

Exhibit 1: Contract Amendment Form  
Exhibit 2: Business Associate Agreement

**Contact Information** *(Type Name, Title, Agency and Phone)*  
Ray Turner, Deputy Director Finance, (404) 612-7737  
Melissa Barnett, Benefits Manager, (404) 612-4243

### Contract Attached

No

### Previous Contracts

Yes

### Total Contract Value

Original Approved Amount: \$195,568.00  
Previous Adjustments: \$201,435.00 (1<sup>st</sup> Renewal)  
This Request: \$180,000.00 (Claims Audit)  
**TOTAL: \$381,435.00**

### Grant Information Summary

Amount Requested:	0.00	<input type="checkbox"/>	Cash
Match Required:	0.00	<input type="checkbox"/>	In-Kind
Start Date:	0.00	<input type="checkbox"/>	Approval to Award
End Date:	0.00	<input type="checkbox"/>	Apply & Accept
Match Account \$:	0.00		

### Fiscal Impact / Funding Source

426-999-S200-1160: Group Insurance Stabilization, Non-Agency, Professional Services