



Fulton County

Legislation Text

File #: 21-0649, Version: 1

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 | <input checked="" type="checkbox"/> |
| District 1 | <input type="checkbox"/> |
| District 2 | <input type="checkbox"/> |
| District 3 | <input type="checkbox"/> |
| District 4 | <input type="checkbox"/> |
| District 5 | <input type="checkbox"/> |
| District 6 | <input type="checkbox"/> |

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
Kaiser HMO			
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
Senior Advantage Plan			
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 nd 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:

Match Required:

Start Date:

End Date:

Match Account \$:

- ☐ Cash
- ☐ In-Kind
- ☐ Approval to Award
- ☐ Apply & Accept

Fiscal Impact / Funding Source

Funding Line 1:

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

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

Overall Contractor Performance Rating:

Would you select/recommend this vendor again?

Yes

Report Period Start: Report Period End:

1/1/2022

12/31/2022