



# Fulton County

## Legislation Text

File #: 22-0610, 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 Plans with (A) Anthem (BCBS) of Georgia to administer the self-funded Health Maintenance Organization (HMO), Point of Service (POS), and CDHP with Health Savings Account (HSA) Plans to active employees and Pre-65 (Non-Medicare) retirees/beneficiaries, as well as the Medicare HMO, Medicare Indemnity and PPO Plus [Closed] Plans to Medicare-eligible retirees/beneficiaries and (B) Kaiser Permanente (Atlanta, GA), to administer a fully insured HMO plan to active employees and Pre-65 (Non-Medicare) retirees/beneficiaries; and the fully insured Senior Advantage Plan to Medicare retirees/beneficiaries. This action exercises the third of four renewal options. One renewal option remains. Effective date: January 1, 2023, through December 31, 2023. **(APPROVED UPON ADOPTION OF THE CONSENT AGENDA)**

### 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 benefit

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 as well as their eligible dependents. The medical plans administered by Anthem are under a self-funded arrangement and the Kaiser HMO plans are under a fully insured arrangement. Under a fully insured arrangement, the carrier pays claims from their own funds and sets premium rates to support expected payments. Under the self-funded arrangement, the carrier administers the plan, but claims are funded by the County. **Anthem:** Anthem's network continues to offer the greatest estimated discount based on the utilization patterns of members and the greatest network discount guarantee. 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 continues to offer a \$100,000 annual allowance towards communication, implementation and technology. **Kaiser:** Kaiser Permanente's staff model is highly touted for health management in terms of efficiency and their holistic approach to health care. Kaiser continues to provide annual wellness funding to the County at \$179 per enrolled employee and pre-65 (Non-Medicare) retiree. Kaiser will provide annual communication allowance of \$15,000 for 2023. Kaiser's fully insured HMO and Senior Advantage Medicare Plans continue to offer the best value in terms of cost.

**Community Impact:** None

**Department Recommendation:** The Finance Department recommends renewal of existing contracts with Anthem and Kaiser Permanente to administer medical and pharmacy benefits to eligible employees, beneficiaries, retirees and covered dependents from January 1, 2023 - December 31, 2023. For 2023, the \$40.34 per member per month fee to administer the Anthem plans remain unchanged. This administration fee is guaranteed to remain flat over the duration of the contract. The 2023 Premium Rates for the Anthem and Kaiser Plans are presented as separate agenda item for approval.

**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	08/07/2019	Anthem: per member per month admin fees. Kaiser Plans: based approved premium rates.

1st Renewal	20-0841	11/18/2020	Anthem: per member per month admin fees. Kaiser Plans: based on approved premium rates.
2 <sup>nd</sup> Renewal	21-0649	09/01/2021	Anthem: per member per month admin fees. Kaiser Plans: based on approved premium rates.
3 <sup>rd</sup> Renewal			Anthem: per member per month admin fees. Kaiser Plans: based on approved premium rates.
Total Revised Amount			

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

**Contract Value:** Self-funded HMO Plan  
**Prime Vendor:** Anthem (BCBS) of Georgia  
**Prime Status:** Non-Minority  
**Location:** Atlanta, GA  
**County:** Fulton County  
**Prime Value:** self-funded 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 Agreement - Anthem  
Exhibit 2: Contract Renewal Agreement - Kaiser  
Exhibit 3: Contractor Renewal Evaluation Form  
Exhibit 4: Contractor Performance Report - Anthem  
Exhibit 5: Contractor Performance Report - Kaiser

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

Ray Turner, Deputy Finance Director, 404-612-7737  
Melissa Barnett, Employee Benefits Manager, 404-612-4243. Finance Department

### Contract Attached

Yes

### Previous Contracts

Yes

### Total Contract Value

Original Approved Amount: Anthem Plans: per member per month administrative fees. Kaiser Plans: based on approved premium rates.

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

Key Contract Terms	
Start Date: 1/1/2023	End Date: 12/31/2023
Cost Adjustment:	Renewal/Extension Terms: 3 4 Renewals

**Overall Contractor Performance Rating:**

Anthem (BCBS)	88%
Kaiser Permanente	88%

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

Yes

**Report Period Start:**  
1/1/2022

**Report Period End:**  
6/30/2022