



Mendocino County

Legislation Text

File #: 20-1211, **Version:** 1

To: Board of Supervisors

From: Human Resources

Meeting Date: January 26, 2021

Department Contact: William Schurtz

Phone: 234-6600

Department Contact: Cherie Johnson

Phone: 234-6600

Item Type: Consent Agenda

Time Allocated for Item: N/a

Agenda Title:

Approval of Retroactive Agreement with Delta Health Systems in the amount of \$75,000 for the Term of January 1, 2021 through December 31, 2021 for Third Party Claims Administration Services of Run Out Medical and Flexible Spending Account Claims with a Date of Service Prior to January 1, 2021

Recommended Action/Motion:

Approve retroactive Agreement with Delta Health Systems in the amount of \$75,000 for the term of January 1, 2021 through December 31, 2021 for third party claims administration services of run out medical and flexible spending account claims with a date of service prior to January 1, 2021; and authorize Chair to sign same.

Previous Board/Board Committee Actions:

On November 15, 2015 the Board approved Agreement No. 15-162 with Delta Health System. On December 18, 2018 the Board approved Agreement No. 18-174 with Delta Health Systems.

Summary of Request:

In the summer of 2020 the County directed Keenan and Associates (Keenan), consultants to the Self-Funded Health Plan, to issue a Request for Proposal (RFP) for Third Party Claims Administration (TPA) services to be effective January 1, 2021. It had been five years since the previous RFP had been performed.

Multiple proposals were received. The County and Keenan reviewed the proposals and interviewed the top three candidates, including the incumbent Delta Health Systems (DHS). After a full review of the proposals and completion of interviews the County selected the most cost efficient proposal and carefully compared services to the services being provided by DHS. After careful consideration the County determined that it is in the best interest of the County to contract with Anthem Blue Cross to perform claims administration services for the self-funded health plan and for Flexible Spending Accounts (FSA) effective on January 1, 2021. However, any medical and FSA claims that were incurred prior to January 1, 2021 must be processed by DHS.

Human Resources is requesting approval of a one year Agreement with DHS for medical and FSA claim administration run out services.

This request is submitted as retroactive because DHS did not sign the Agreement until the last week of calendar year 2020.

Alternative Action/Motion:

Return to Human Resources with further direction.

Supervisory District: All

vote requirement: Majority

Supplemental Information Available Online At: N/A

Fiscal Details:

source of funding: 0715

current f/y cost: \$185,110 est.

annual recurring cost: \$37,500 est.

budget clarification:

budgeted in current f/y: Yes

if no, please describe:

revenue agreement: No

Agreement/Resolution/Ordinance Approved by County Counsel: Yes

CEO Liaison: Janelle Rau, Deputy CEO

CEO Review: Yes

CEO Comments:

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Executed By: Atlas Pearson, Deputy Clerk I

Date: January 27, 2021

Final Status: Approved

Executed Item Type: Agreement **Number:** 21-013

Note to Department Number of Original Agreements
Returned to Dept: 1 Original Agreement Delivered to Auditor?
Yes

