



Mendocino County

Legislation Text

File #: 18-1393, **Version:** 1

To: Board of Supervisors

From: Human Resources Choose an item.

Meeting Date: March 27, 2018

Department Contact: Heidi Dunham

Phone: 234-6600

Department Contact: Jason Claunch

Phone: 234-6600

Item Type: Consent Agenda

Time Allocated for Item: N/A

Agenda Title:

Approval of Retroactive Amendment to Human Resources Agreement Number H14-002 with Anthem Blue Cross JJA PPO Network, Revising and Replacing Schedule A of the Client Joinder Agreement Effective January 1, 2018

Recommended Action/Motion:

Approve retroactive Amendment to Human Resources Agreement Number H14-002, with Anthem Blue Cross JAA PPO Network, revising and replacing schedule A of the Client Joinder Agreement effective January 1, 2018; and authorize Chair to sign same.

Previous Board/Board Committee Actions:

N/A

Summary of Request:

The County's Self-Funded Health Plan entered into the Client Joinder Agreement with Anthem effective April 1, 2013. The agreement is amended annually to revise base administrative fees and effective dates but can also include other services and fees. The revised administrative fee effective January 1, 2018 is not to exceed \$19.95 Per Subscriber Per Month (PSPM) for an estimated amount of \$255,346 in Calendar year 2018. The agreement with Anthem is required because it gives subscribers of the health plan access to a wide panel of Anthem network providers at rates that have been negotiated to significantly reduce the costs to the plan and to the subscriber's out of pocket amounts.

In a letter dated December 5, 2017, the Mendocino County CEO and the Board of Supervisors were notified by Peter McNamara of Keenan and Associates, consultants to the Health Plan, of the process by which Anthem Blue Cross produces the actual amendment document. Within the first three months of the new calendar year Anthem provides the amendment to the plan administrators, Delta Health Systems (DHS). DHS then forwards the amendment to the County to begin the County approval process. Due to the actual date of receipt, the amendment approval is requested as retroactive. The letter referenced above is attached to the amendment as Exhibit A.

Anthem is working towards a fully automated system that will eventually provide these amendments in a more timely fashion but at this time the County is dependent on Anthem to provide the document as soon as

possible. Historically , documents have arrived near the end of the first quarter of the year.

Alternative Action/Motion:

Return to Human Resources with further direction

Supplemental Information Available Online at: N/A

Fiscal Impact:

Source of Funding: 0715 862189

Current F/Y Cost: \$243,187

Budgeted in Current F/Y: Yes

Annual Recurring Cost: estimated
\$255,346

Supervisory District: All

Vote Requirement: Majority

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: Karla Van Hagen

Date: March 28, 2018

Final Status: **Approved**

Executed Item No.: **Agreement** Number: 18-027

Executed Documents Returned to

Department: Originals 2 Hand Delivered

Executed Agreement Sent to Auditor? Yes