

MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: June 28, 2011 - Consent	AGENDA NO.: 41
SUBJECT: a. Approve and Authorize the Contracts and Purchasing Officer to sign an Agreement with Pacific Health Alliance (PHA), for Third Party Administrator (TPA) Services for the County's self-insured Dental Program per Request for Proposal (RFP) #10254, with the initial Agreement term beginning July 1, 2011 through December 31, 2015, including the option to extend the Agreement for up to three (3) additional one (1) year periods; and b. Authorize the Contracts and Purchasing Officer to sign future Amendments to the Agreement where the Amendments do not significantly change the scope of work or cause an increase in the Agreement rates of more than ten percent (10%)	
DEPARTMENT: County Administrative Office	

RECOMMENDATIONS:

It is recommended that the Board of Supervisors:

- a. Approve and Authorize the Contracts and Purchasing Officer to sign an Agreement with Pacific Health Alliance (PHA), for Third Party Administrator (TPA) Services for the County's self-insured Dental Program per Request for Proposal (RFP) #10254, with the initial Agreement term beginning July 1, 2011 through December 31, 2015, including the option to extend the Agreement for up to three (3) additional one (1) year periods (see attachment A); and
- b. Authorize the Contracts and Purchasing Officer to sign future Amendments to the Agreement where the Amendments do not significantly change the scope of work or cause an increase in the Agreement rates of more than ten percent (10%)

SUMMARY/DISCUSSION:

Approval of the recommended actions will enable the County Administrative Office to procure TPA Services for the County's self insured Dental Program, (available to all County employees) as well as enrollment services for Consolidated Omnibus Budget Reconciliation Act (COBRA) participants. At the current rate of participation, the monthly fee for all enrolled participants will be \$14,055 per month or approximately \$170,000 per year. Current enrollment is 4,291 employees, 51 COBRA participants and 117 retirees.

The TPA fees for the dental program are part of the costs used by the Benefits Actuary to determine the monthly rate that should be charged for this program. The costs for the dental program are paid by departments (for employee only coverage), and employees (for dependent coverage). Retirees and COBRA participants pay 100% of the premiums.

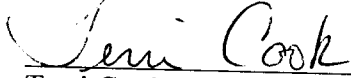
OTHER AGENCY INVOLVEMENT:

Contracts/Purchasing, County Counsel and the Auditor's Office were involved in the RFP process and have reviewed and approved the contract which was submitted to the vendor for signature.

FINANCING:

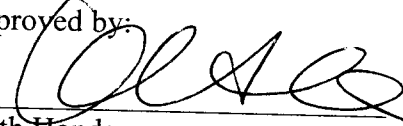
The costs associated with this action are included in the Benefits Internal Service Fund (specifically in the Dental Unit).

Prepared by:



Terri Cook
Management Analyst III

Approved by:



Keith Honda
Asst. County Administrative Officer
Human Resources

Date: June 15, 2011