



# Monterey County

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## Board Report

Legistar File Number: A 17-431

November 14, 2017

**Introduced:** 10/31/2017

**Current Status:** Agenda Ready

**Version:** 1

**Matter Type:** BoS Agreement

Approve and authorize the Contracts/Purchasing Officer to sign Amendment No. 4 to professional services agreement with Intercare Holdings Insurance Services, Inc. for the administration of the County's Workers' Compensation Program retroactive from October 1, 2017 through September 30, 2018, with a provision for an extension of up to two (2) additional one (1) year extensions, subject to the County Risk Manager's prior written approval, not to exceed 3% increase.

### RECOMMENDATION:

It is recommended that the Board of Supervisors Approve and authorize the Contracts/Purchasing Officer to sign Renewal and Amendment No. 4 to professional services agreement with Intercare Holdings Insurance Services, Inc. for the administration of the County's Workers' Compensation Program retroactive from October 1, 2017 through September 30, 2018, with a provision for an extension of up to two (2) additional one (1) year extensions, subject to the County Risk Manager's prior written approval, not to exceed 3% increase

### SUMMARY/DISCUSSION:

The County entered into an Agreement with Intercare Holdings Insurance Services, Inc. on August 29, 2011, for administration of the County's Workers' Compensation Program, effective October 1, 2011 through September 30, 2014 with the option to extend the agreement for two, one-year periods.

Renewal and Amendment No. 1 extended the agreement by one year, effective October 1, 2014 through September 30, 2015. Changes in the amendment include modifying the staffing and management structure to reflect the cost-effective addition of staff and a total of 8.40 FTE. Subsection 6.6 (Fees) has been amended as specified in Amendment 1, and Subsection 6.7 has been amended in its entirety. Subsection 8.3 was added to Section 8.0 "Standard Indemnification".

Amendment No. 2 extended the agreement by one year, effective October 1, 2015 through September 30, 2016, and increased the amount by 3% or \$29,943.00 for an annual claims fee of \$1,028,037.00.

Amendment No. 3 extended the agreement by one year, effective October 1, 2016 through September 30, 2017, and increased the amount by 3% or \$30,841.10 for an annual claims fee of \$1,058,877.92.

Renewal and Amendment No. 4 will extend the agreement by one year, effective October 1, 2017 through September 30, 2018, and increase the amount by 2.75% or \$29,119.14 for an annual claims fee of \$1,087,997.06, with a provision for an extension of up to two (2) additional one (1) year extensions, subject to the County Risk Manager's prior written approval, not to exceed 3% increase.

OTHER AGENCY INVOLVEMENT:

The attached Renewal and Amendment No. 4 has been reviewed and approved by County Counsel as to legal form; the Auditor-Controller as to fiscal terms; and Risk Management for insurance and indemnity provisions.

FINANCING:

This agreement will be paid from the Workers' Compensation (WC) - Internal Service Fund (476-1210-COU004-8409). The total cost of this contract shall not exceed \$1,087,997.06 and the increased contract amount of the amendment has been included in the FY 2017-18 budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiative(s):

- ☐ **Economic Development** - Through collaboration, strengthen economic development to ensure a diversified and healthy economy.
- ☒ **Administration** - Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.
- ☐ **Health & Human Services** - Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for health choices and healthy environments in collaboration with communities.
- ☐ **Infrastructure** - Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.
- ☐ **Public Safety** - Create a safe environment for people to achieve their potential, leading business and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by:

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Steve Mauck, Risk Manager

Approved by:

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Les Girard, Chief Assistant County Counsel

Attachments: Intercare - Amend. 4  
Intercare - Amend. 3  
Intercare - Amend. 2  
Intercare - Amend. 1  
Intercare - Original Agreement