



Legislation Details (With Board Report)

**File #:** 23-302      **Name:** Approve and authorize the Contracts/Purchasing Officer to sign Amendment No. 8 to Agreement No. A-13188 between the County of Monterey and UNUM extending the term of the agreement through June 30, 2025

**Type:** General Agenda Item      **Status:** Passed

**File created:** 4/7/2023      **In control:** Board of Supervisors

**On agenda:** 4/18/2023      **Final action:** 4/18/2023

**Title:** a. Approve and authorize the Contracts/Purchasing Officer to sign Amendment No. 8 to Agreement No. A-13188 between the County of Monterey and UNUM Life Insurance Company of America extending the term of the agreement through June 30, 2025; and  
b. Authorize the Contracts/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 to a total of more than 10%.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Board Report, 2. UNUM Amendment #8, 3. UNUM\_Amendment\_#7\_Executed, 4. UNUM Amendment #6\_Executed, 5. UNUM (MYA 2325)\_Amend5\_Executed, 6. UNUM (MYA 2325)\_Amend4-Executed, 7. UNUM (MYA 2325)\_Amend3-Executed, 8. UNUM (MYA 2325) Amend2\_Executed, 9. UNUM (MYA 2325) Amend1\_Executed, 10. Unum Standard Agreement, 11. Completed Board Order Item No. 55

Date	Ver.	Action By	Action	Result
4/18/2023	1	Board of Supervisors		

a. Approve and authorize the Contracts/Purchasing Officer to sign Amendment No. 8 to Agreement No. A-13188 between the County of Monterey and UNUM Life Insurance Company of America extending the term of the agreement through June 30, 2025; and  
b. Authorize the Contracts/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 to a total of more than 10%.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer to sign Amendment No. 8 to Agreement No. A-13188 between the County of Monterey and UNUM extending the term of the agreement through June 30, 2025; and
- b. Authorize the Contracts/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 to a total of more than ten percent (10%).

**SUMMARY/DISCUSSION:**

On June 21, 2016, the Board of Supervisors approved Agreement No. A-13188 between the County of Monterey and UNUM to provide administration of the self-funded short-term disability advice-to-pay services, fully insured employer-paid long-term disability (LTD) benefits, and fully insured voluntary employee-paid

LTD benefits with the option to extend the agreement by mutual consent of the parties. The latest amendment extended the term through and including June 30, 2023.

The County of Monterey published a Request for Proposals (RFP) on November 17, 2022 to solicit proposals for disability insurance benefits for County of Monterey employees. The County determined the proposals received were not financially attractive or beneficial to the current participants, and therefore, decided to reject all bids and continue with the current vendor, UNUM.

The Human Resources Department is now requesting that the term of the agreement be extended through and including June 30, 2025 to lock in the premium rates listed on Exhibit B-6 for two years, starting July 1, 2023 through June 30, 2025, and permit the County to develop a new RFP and broaden the solicitation for proposals, in view of the fact that the recent solicitation did not produce appropriate alternate disability insurance benefits options.

Approval of the recommended actions will enable the County to continue to offer disability insurance benefits to employees without an interruption in service until a new RFP is published.

OTHER AGENCY INVOLVEMENT:

The offices of the County Counsel and Contracts/Purchasing recommended this action. The offices of the County Counsel and Auditor-Controller have reviewed and approved Amendment No. 8 as to form and legality and fiscal provisions, respectively.

FINANCING:

The cost associated with the administration of the employer-paid fully insured short-term disability base plan will increase by about \$38,406 per year. This increase will be funded by departments with participating employees. There will be no increase in the cost of the employer-paid fully insured long-term disability. The increase costs in the buy-up supplemental plan will not be incurred by the County since it is fully employee funded.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The proposed recommended actions support the Board of Supervisors' Administration Strategic Initiative. The recommended actions will make available a new buy-up supplemental plan, which will support the County's commitment to provide quality benefits to employees to meet the Board's strategic initiative by attracting, recruiting, and retaining a diverse and talented work force that supports the mission of the County of Monterey.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

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Approved by: Irma Ramirez-Bough, Director of Human Resources, Ext. 5043

Attachments:

Board Report

Amendment No. 8 to Agreement No. A-13188

Amendment No. 7 to Agreement No. A-13188

Amendment No. 6 to Agreement No. A-13188  
Amendment No. 5 to Agreement No. A-13188  
Amendment No. 4 to Agreement No. A-13188  
Amendment No. 3 to Agreement No. A-13188  
Amendment No. 2 to Agreement No. A-13188  
Amendment No. 1 to Agreement No. A-13188  
Agreement No. 13188