



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

Requested Board Meeting Date: June 7, 2016

or Procurement Director Award

Contractor/Vendor Name (DBA): Aetna Life Insurance Company

Project Title/Description:

Self-Insurance Benefits: Third Party Administrative, Pharmacy Benefit Management and Employee Assistance Program Services

Purpose:

Amendment of Award: Master Agreement No. MA-PO-13-510, Amendment No. 1. Extend the Contract term for a period of two (2) years from July 1, 2016 through June 30, 2018 and increase the not-to-exceed amount by \$53,300,000.00 for a cumulative contract amount of \$187,000,000.00. Administering Department: Human Resources.

Procurement Method:

Pursuant to Pima County Code 11.12.020, Competitive Sealed Proposals, Solicitation No. 70513 was conducted. This contract was initially awarded by the Board of Supervisors effective on July 1, 2013 for an initial term of three (3) years with two (2) additional one-year periods in an amount not to exceed \$133,700,000.00.

Attachment Document: Master Agreement.

Program Goals/Predicted Outcomes:

Provide Pima County Employees with the following Employee Health Benefits: Third Party Administration, Pharmacy Benefit Management and Employee Assistance Program Services.

Public Benefit:

Fiscal responsibility for public funds through group benefits offered.

Metrics Available to Measure Performance:

Quality, availability and affordability of benefit services offered to employees.

Retroactive:

No

AMCP1606050FCCLVH

CoB:
6-2-16

Addendum

7 Pgs (1)

Procure Dept 06/02/16 PM0245

Original Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____

Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____

Expense Amount: \$ _____ Revenue Amount: \$ _____

Funding Source(s): _____

Cost to Pima County General Fund: _____

Contract is fully or partially funded with Federal Funds? Yes No Not Applicable to Grant Awards

Were insurance or indemnity clauses modified? Yes No Not Applicable to Grant Awards

Vendor is using a Social Security Number? Yes No Not Applicable to Grant Awards

If Yes, attach the required form per Administrative Procedure 22-73.

Amendment Information

Document Type: MA Department Code: PO Contract Number (i.e., 15-123): 13-510

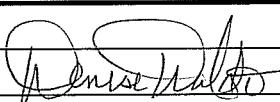
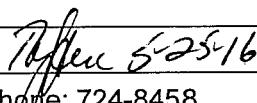
Amendment No.: 01 AMS Version No.: 5

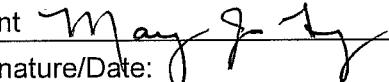
Effective Date: 07-01-2016 New Termination Date: 06-30-2018

Expense Revenue Increase Decrease Amount This Amendment: \$ 53,300,000.00

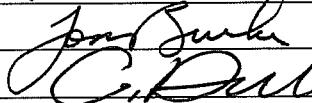
Funding Source(s): General Fund

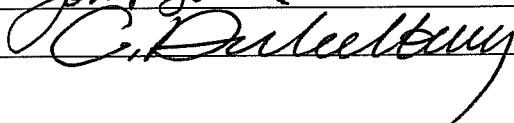
Cost to Pima County General Fund: \$53,300,000.00

Contact: Denise Waldo, Commodity Contracts Officer   5/25/16

Department: Procurement  5/25/16 Telephone: 724-8458

Department Director Signature/Date: 

Deputy County Administrator Signature/Date:  6-2-16

County Administrator Signature/Date:  6/2/16

(Required for Board Agenda/Addendum Items)



MASTER AGREEMENT

PIMA COUNTY, ARIZONA

THIS IS NOT AN ORDER - TRANSMISSION CONSTITUTES CONTRACT EXECUTION

Master Agreement No: 13000000000000000510

MA Version: 5

Page: 1

Description: Self-Insurance Benefits: TPA, PBM and EAP Service

I
S
U
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R

Pima County Procurement Department
130 W. Congress St. 3rd Fl
Tucson AZ 85701

Issued By: DENISE WALDO
Phone: 5207248458
Email: denise.waldo@pima.gov

T
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Initiation Date: 07-01-2016
Expiration Date: 06-30-2018

NTE Amount: \$187,000,000.00
Used Amount: \$98,225,109.28

V
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AETNA LIFE INSURANCE COMPANY
151 FARMINGTON AVE
HARTFORD CT 06156

Contact: KRISTEN RYAN
Phone: 860-273-0733
Email:
Terms: 0.0000 %
Days: 30

Shipping Method:

Delivery Type: STANDARD GROUND

FOB:

Modification Reason

Extend the Contract term for a period of two (2) years from June 30, 2016 to June 30, 2018 and increase the not-to-exceed amount by \$53,300,000.00 for a cumulative contract amount of \$187,000,000.00. Attachment: Amendment No. 01.



MASTER AGREEMENT DETAILS

Master Agreement No: 13000000000000000510

MA Version: 5

Page: 2

Line Description

1 Employee Health Benefits

Service Contract Amt

\$0.00

Service From

Service To

PIMA COUNTY DEPARTMENT OF HUMAN RESOURCES PROJECT: Self-Insurance Benefits: Third Party Administrative, Pharmacy Benefit Management and Employee Assistance Program Services CONTRACTOR: Aetna Life Insurance Company CONTRACT NO.: MA 13000000000000000510 CONTRACT AMENDMENT NO.: One (#01)		CONTRACT NO. MA-PD-13-510 AMENDMENT NO. 01 This number must appear on all invoices, correspondence and documents pertaining to this contract.
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ORIG. CONTRACT TERM: 07/01/2013 - 06/30/2016	ORIG. CONTRACT AMOUNT: \$133,700,000.00
TERMINATION DATE PRIOR AMENDMENT: N/A	PRIOR AMENDMENTS: N/A
TERMINATION THIS AMENDMENT: 06/30/2018	AMOUNT THIS AMENDMENT: \$ 53,300,000.00
	REVISED CONTRACT AMOUNT: \$187,000,000.00

CONTRACT AMENDMENT

WHEREAS, COUNTY and CONTRACTOR entered into a Contract for services as referenced above; and

WHEREAS, CONTRACTOR and COUNTY, pursuant to Article I - Term, have agreed to extend the Contract term for a period of two years; and

WHEREAS, CONTRACTOR and COUNTY have agreed to increase the contract amount to allow payment for the continued provision of services during the extended term of the contract.

NOW, THEREFORE, it is agreed as follows:

CHANGE: ARTICLE I – TERM AND EXTENSION/RENEWAL/CHANGES:

From: "... shall terminate on the 30th day of June, 2016..."

To: "... shall terminate on the 30th day of June, 2018..."

CHANGE: ARTICLE III – COMPENSATION AND PAYMENT:

From: "... the COUNTY agrees to pay CONTRACTOR in an amount not to exceed One Hundred Thirty-Three Million Seven Hundred Thousand (\$133,700,000.00)."

To: "... the COUNTY agrees to pay CONTRACTOR in an amount not to exceed One Hundred Eighty-Seven Million (\$187,000,000.00)."

The effective date of this Amendment shall be July 1, 2016.

(THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK)

All other provisions of the Contract, not specifically changed by this Amendment, shall remain in effect and be binding upon the parties.

IN WITNESS THEREOF, the parties have affixed their signatures to this Amendment on the dates written below.

PIMA COUNTY

CONTRACTOR

Chair, Board of Supervisors

Signature

Date

Name and Title (Please Print)

ATTEST

Date

Clerk of Board

Date

APPROVED AS TO FORM



Tobin Rosen, Deputy County Attorney

5/16/16

Date

APPROVED AS TO CONTENT



Department Head

5/19/16

Date

All other provisions of the Contract, not specifically changed by this Amendment, shall remain in effect and be binding upon the parties.

IN WITNESS THEREOF, the parties have affixed their signatures to this Amendment on the dates written below.

PIMA COUNTY

Chair, Board of Supervisors

Date

ATTEST

Clerk of Board

Date

APPROVED AS TO FORM

Tobin Rosen, Deputy County Attorney

5/16/16

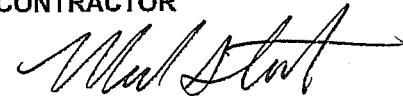
Date

APPROVED AS TO CONTENT

Department Head

Date

CONTRACTOR



Signature

Mark Sternat, Director of Business Development

Name and Title (Please Print) Public and Labor Sector

5/17/2016

Date