



BOARD OF SUPERVISORS AGENDA ITEM REPORT
AWARDS / CONTRACTS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: 06/20/2023

* = Mandatory, information must be provided

or Procurement Director Award: ☐

***Contractor/Vendor Name/Grantor (DBA):**

Aetna Life Insurance Company
Aetna, Inc. dba Aetna Behavioral Health, LLC

***Project Title/Description:**

Medical Benefits Administrative Services-Third Party Administration and Employee Assistance Program

***Purpose:**

Amendment of Award: Master Agreement No. MA-PO-18-189, Amendment No. 05. This Amendment exercises the annual renewal option to extend the termination date to 06/30/2024, increases the not-to-exceed contract amount by \$16,600,000.00 for a cumulative not-to-exceed contract amount of \$31,600,000.00, adds fee schedules for the five (5) one-year extension options, and appends the Forced Labor of Ethnic Uyghurs provision to the contract, pursuant to A.R.S. § 35-394. Four (4) renewal options remain.

Administering Department: Human Resources.

***Procurement Method:**

Pursuant to Pima County Procurement Code 11.12.020, Competitive sealed proposals, on 01/16/2018, the Board of Supervisors approved an award of contract for an initial term of five (5) years and an initial award amount of \$15,000,000.00 with five (5) one-year renewal options.

On 01/08/2019, the Board of Supervisors approved Amendment No. 01, which removed counseling sessions for Public Safety Personnel and replaced Exhibit I.

On 08/06/2019, the Board of Supervisors approved Amendment No. 02, which increased the number of counseling sessions for participants and replaced Exhibit I.

On 04/06/2021, the Board of Supervisors approved Amendment No. 03, which incorporated a reference to the Pima County Medical Benefits Plan and expanded options for plan administration services.

On 07/19/2022, the Procurement Director approved Amendment No. 04, which added Aetna, Inc. dba Aetna Behavioral Health, LLC.

PRCUID: 264063

Attachment: Contract Amendment No. 05.

***Program Goals/Predicted Outcomes:**

Provision of integrated claims administration for pharmacy services.

***Public Benefit:**

Cost effective health benefits program.

***Metrics Available to Measure Performance:**

Active review of various reports that monitor the overall effectiveness of claims administration and formulary management.

***Retroactive:**

No.

To: COB 6/15/23(1)
VERS: 13
PGS: 6

THE APPLICABLE SECTION(S) BELOW MUST BE COMPLETED

Click or tap the boxes to enter text. If not applicable, indicate "N/A". Make sure to complete mandatory (*) fields

Contract / Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
 Commencement Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____
☐ Expense Amount \$ _____ * ☐ Revenue Amount: \$ _____

***Funding Source(s) required: _____**

Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No

If Yes, is the Contract to a vendor or subrecipient? _____

Were insurance or indemnity clauses modified? ☐ Yes ☐ No

If Yes, attach Risk's approval.

Vendor is using a Social Security Number? ☐ Yes ☐ No

If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: MA Department Code: PO Contract Number (i.e., 15-123): 18-189

Amendment No.: 05 AMS Version No.: 13

Commencement Date: 07/01/23 New Termination Date: 06/30/24

Prior Contract No. (Synergen/CMS): _____

☒ Expense ☐ Revenue ☒ Increase ☐ Decrease

Amount This Amendment: \$ 16,600,000.00

Is there revenue included? ☐ Yes ☒ No If Yes \$ _____

***Funding Source(s) required: Health Benefit Self-Insurance Fund**

Funding from General Fund? ☐ Yes ☒ No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards)

☐ Award ☐ Amendment

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

Commencement Date: _____ Termination Date: _____ Amendment Number: _____

☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____

***All Funding Source(s) required: _____**

*Match funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____

*Match funding from other sources? ☐ Yes ☐ No If Yes \$ _____ % _____

*Funding Source: _____

*If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?

Contact: Procurement Officer: Kelsey Braun-Shirley Digitally signed by Kelsey Braun-Shirley
Date: 2023.06.01 16:04:50 -07'00' Acting Division Manager: Troy McMaster Digitally signed by Troy McMaster
Date: 2023.06.01 16:10:35 -07'00'

Department: Acting Procurement Director: Ana Wilber Digitally signed by Ana Wilber
Date: 2023.06.02 08:16:10 -07'00' Telephone: (520)724-7466

Department Director Signature: Cathy Bohland Digitally signed by Cathy Bohland
DN: cn=Cathy Bohland, ou=Human Resources,
email=cathy.bohland@sonoma.gov, c=US
Date: 2023.06.02 08:32:00 -07'00' Date: _____

Deputy County Administrator Signature:  Date: 6-2-2023

County Administrator Signature:  Date: 6/2/2023

Pima County Department of Human Resources

Project: Medical Benefits Administrative Services-Third Party Administration and Employee Assistance Program

Contractor: Aetna Life Insurance Company
Aetna, Inc. dba Aetna Behavioral Health, LLC.
151 Farmington Ave.
Hartford, CT 06156

Contract No.: MA-PO-18-189

Contract Amendment No.: 05

Orig. Contract Term: 07/01/2018 - 06/30/2023	Orig. Amount:	\$15,000,000.00
Termination Date Prior Amendment: 06/30/2023	Prior Amendments Amount:	\$ 0.00
Termination Date This Amendment: 06/30/2024	This Amendment Amount:	\$16,600,000.00
	Revised Total Amount:	\$31,600,000.00

CONTRACT AMENDMENT

The parties agree to amend the above-referenced contract as follows:

1. Background and Purpose.

1.1. Background. On July 1, 2018, County and Contractor entered into the above referenced agreement to provide medical benefits administrative services for Pima County's health benefits program and an employee assistance program. On January 8, 2019, Amendment No. 01 was processed to remove counseling sessions for public safety personnel. On August 6, 2019, Amendment No. 02 was processed to increase the number of counseling sessions available to participants and reinstate counseling sessions for public safety personnel. On April 6, 2021, Amendment No. 03 was processed to incorporate a reference to the Pima County Medical Benefits plan and additional options for plan administration services. On July 19, 2022, Amendment No. 04 was processed to add Aetna, Inc. dba Aetna Behavioral Health, L.L.C. to facilitate payment for EAP services to the appropriate Contractor business unit.

1.2. Purpose. County requires an amendment to extend the termination date, increase the contract amount and add fee schedules for the five (5) one-year extension options.

2. Term. The County is exercising the first extension option to renew the contract for one additional year commencing on July 1, 2023 and terminating on June 30, 2024. If the commencement date is before the Effective Date of this amendment, the parties will, for all purposes, deem the amendment to have been in effect as of the commencement date.

3. Maximum Payment Amount. The maximum amount the County will spend under this Contract, increased by \$16,600,000.00. County's total payments to Contractor under this contract, including any sales taxes, will not exceed \$31,600,000.00 (excluding Medical Claim amounts).

4. **Compensation and Payment.** The following exhibits are appended to establish the service fees for years six (6) through ten (10) of the contract. Other fees, charges, and related administrative practices are as set forth in the Renewal Package provided annually to the County by the Contractor.

Exhibit G.1-Amendment 5 Fee Schedule -TPA

Exhibit I.1-Amendment 5 Fee Schedule-EAP

5. **Forced Labor of Ethnic Uyghurs.** Pursuant to A.R.S. § 35-394, if Contractor engages in for-profit activity and has 10 or more employees, Contractor certifies it is not currently using, and agrees for the duration of this Contract to not use (1) the forced labor of ethnic Uyghurs in the People's Republic of China; (2) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; and (3) any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China. If Contractor becomes aware during the term of the Contract that the Company is not in compliance with A.R.S. § 35-394, Contractor must notify the County within five business days and provide a written certification to County regarding compliance within one hundred eighty days.

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

PIMA COUNTY

Chair, Board of Supervisors

Date

CONTRACTOR



Authorized Officer Signature

Brian Donohue

Lead Director of Underwriting

Printed Name and Title

06/01/2023

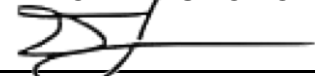
Date

ATTEST

Clerk of the Board

Date

APPROVED AS TO FORM



Deputy County Attorney

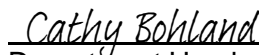
Daniel Jurkowitz

Print DCA Name

05/10/2023

Date

APPROVED AS TO CONTENT



Department Head

6/2/2023

Date

Exhibit G.1-Amendment 5

Fee Schedule - TPA

	FEES	Year 6	Year 7	Year 8	Year 9	Year 10
	I) General Administration (Per Employee Per Month - PEPM)	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028
1	Medical Claim Admin Fee	\$46.10	\$46.10	\$46.10	\$47.48	\$48.91
2	Pharmacy Claim Admin Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Provider Network Access Fee (if any)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	Complete/Full Claim Fiduciary Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5	Customer Service Fee (Employees)- extended calling hours	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	WEB Access tools for Employer Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7	WEB Access Tools for Employees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8	Online Enrollment Fees (if any)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9	Claim/Utilization Reporting- Open Issues monthly banking report	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
10	Data Interfacing with Stop Loss Vendor	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
11	Data Interfacing with PBM Vendor	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
12	Data Interfacing with Provider Network Vendor	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
13	Hardcopy and Electronic Copy of Benefits Books/SBC's	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
14	Printing of Benefit Booklets/SBC's and Mailing to Beneficiaries	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
15	Create Draft SPD for Client Review/Approval	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
16	IRO Fees (Independent Review Organization)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
17	HIPAA Privacy and Certificates of Creditable Coverage Mailings	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
18	Member ID Card Printing and Mailing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
19	Nurse Line (24/7) for Members	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
20	Banking Arrangement Fees - Employer and HSA Linkage	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
21	COB and Subrogation Management Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
22	Patient Centered Outcomes Research Fees (County Responsibility)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total General Administration Fees	\$46.10	\$46.10	\$46.10	\$47.48	\$48.91
	II. Utilization Management Fees (If Any) (PEPM)					
1	Certification Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	Concurrent Review Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Retrospective Review Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total Utilization Management Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	III. Disease Management Fees (if any) (PEPM)					
1	Asthma	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	Arthritis	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	CAD (Coronary Artery Disease)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	CHF (Congestive Heart Failure)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5	COPD (Chronic Obstructive Pulmonary Disease)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
6	Depression	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
7	Diabetes Management	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
8	High Risk Pregnancy	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
9	Aetna Disease Management with Medquery with Member Messaging	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total Disease Management Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	IV. Employee wellness Fees (if any) (PEPM)					
1	Online HRA (Health Risk Appraisals)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	Smoking Cessation Program (PEPM includes EE and Deps)	\$1.25 PEPM or \$350.00 Per Participant	\$1.25 PEPM or \$350.00 Per Participant	\$1.25 PEPM or \$350.00 Per Participant	\$1.25 PEPM or \$350.00 Per Participant	\$1.25 PEPM or \$350.00 Per Participant
2	Health Coaching Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

3	Flu Shots - Onsite	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	Health Fair Support - Onsite	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
5	Other Wellness Products/Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total Wellness Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	V. Capitation Fees (PEPM)					
1	Behavioral Health Services	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	Chiropractic Care	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	Laboratory	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
4	Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total Capitation Fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Total TPA PEPM Fees	\$46.10	\$46.10	\$46.10	\$47.48	\$48.91
	VI. Case Management Fees (if any)					
1	Hourly Rate	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	Fee Negotiations Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	VII. Miscellaneous Optional Fees					
1	Concierge PEPM	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2	Aetna One Choice	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
3	NAP Flex	\$1.25	\$1.25	\$1.25	\$1.25	\$1.25
	CREDITS					
1	Annual Wellness Initiative Fund	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00	\$200,000.00
2	Communications	\$103,000.00	\$103,000.00	\$103,000.00	\$15,000.00	\$15,000.00
3	Possible Performance Credit - Admin Fees at risk PEPM	-\$11.53	-\$11.53	-\$11.53	-\$11.87	-\$12.23

Exhibit I.1-Amendment 5**Fees Schedule - EAP**

Employee Assistance Program	Year 6 2023-2024	Year 7 2024-2025	Year 8 2025-2026	Year 9 2026-2027	Year 10 2027-2028
PEPM (Per Employee Per Month) Fee	\$2.49	\$2.56	\$2.63	\$2.70	\$2.77
Training Hours Included	20	20	20	20	20
Rate/Hour for Training Above Limit	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00
Travel Time/Hour	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
Critical Incident Hours	Unlimited with up to 20 hours per incident	Unlimited with up to 20 hours per incident	Unlimited with up to 20 hours per incident	Unlimited with up to 20 hours per incident	Unlimited with up to 20 hours per incident
Rate/Hour for Critical Incident Above Limit	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00