



County of El Dorado
Human Resources Department
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TO: Chief Administrative Office
SUBJECT: Retroactive contract amendment with BCC No. 5145, Legistar #22-1013

On February 15, 2011, the Board of Supervisors entered into a Memorandum of Understanding (MOU) with CSAC-EIA (EIA) to join the CSAC-EIA Health program (EIA Health). In 2020, EIA changed its name to PRISM. PRISM is a Joint Powers Authority (JPA) comprised of California counties, cities, and public agencies organized to jointly develop and fund insurance and related programs with the most favorable terms and costs. The PRISM Health MOU states billing and eligibility determinations will be done by a third-party administrator (TPA) selected by the PRISM Health Committee. There are currently only three TPAs the County may select from to perform benefit administration services related to billing and eligibility under this MOU, including Benefit Coordinators Corporation (BCC).

On July 21, 2020, the Board approved Legistar #20-0949, allowing Human Resources to transition our TPA to BCC. With Board approval, Human Resources transitioned to BCC on an incremental basis to limit disruption to our customers and to provide seamless transition for plan carriers. As such, BCC provided all services related to open enrollment in 2020, for plan changes that took effect January 1, 2021.

BCC is a reseller of a web-based hosted online service known as ACAWORKS that collects, stores, and maintains data for purposes of Affordable Care Act (ACA) recordkeeping and reporting. The County entered into an additional service agreement with BCC on November 17, 2020, for the period of January 1, 2021, through December 31, 2023, to provide Affordable Care Act benefit enrollment and eligibility management services, including reporting and electronic filing services.

Beginning in January 2021, the California Individual Health Insurance Mandate placed Minimum Essential Coverage (MEC) reporting requirements on employers to the California Franchise Tax Board (FTB). The California reporting is required annually, by March 31st. While ACAWORKS Clients are not obligated to have ACAWORKS perform this service ACAWORKS' IRS Transmittal service and Employee Statement service can be used to fulfill the reporting requirement. On February 16, 2022, an ACAWORKS client manager provided Human Resources staff with the procedural instructions to complete 2021 tax year related IRS MEC electronic filing and asked Human Resources staff to confirm whether ACAWORKS should also complete the CA MEC

reporting electronic filing. Human Resources positively affirmed that ACAWORKS should complete the CA MEC reporting, as was necessary to meet the CA reporting deadline. At the time, Human Resources staff were unaware that the CA MEC electronic filing fee was separate and distinct from the electronic filing fee provided under the services agreement.

Unfortunately, the BCC ACAWORKS agreement fee schedule specifies “IRS” in the fee listed for annual electronic filing (of ACA required MEC reporting). The fee schedule, therefore, did not sufficiently capture the fee for CA FTB MEC electronic filing, necessitating an amendment to the agreement. Because the service was already completed to meet the March 31, 2022, deadline for 2021 tax year CA MEC reporting, this requires a retroactive amendment in order to pay the \$400 annual fee incurred in 2022 for the 20 CA MEC reporting electronic filing fee service. The fee would thereafter be charged once annually for each year ACAWORKS provides the CA MEC reporting and electronic filing service during the term of this contract.