



Legislation Text

File #: 10-1017, **Version:** 1

Human Resources Department, Risk Management Division, recommending the Board authorize the Chair to sign retroactive Amendment 4 to Agreement for Services 146-S0611, Groups 6179 and 6180 with Management Health Network in the amount of \$137,000 for a one year term extending the term through June 30, 2011 and a rate increase for Group 6179 and 6180 for the provision of the County's Behavioral Healthcare Services program.

BUDGET SUMMARY:		
Total Estimated Cost		\$137,000
Funding		
Budgeted	\$137,000	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$137,000	
Change To Net County Cost		\$0

Fiscal Impact/Change to Net County Cost: The FY 10/11 cost will be \$137,000 for mental health and substance abuse services. These expenditures are budgeted within the Risk Management internal service fund, health benefits sub-fund.

Background: Managed Health Network (MHN) provides employee assistance programs (EAP) for all eligible employees and former employees enrolled in COBRA coverage. In addition, MHN provides mental health and substance abuse services to employees enrolled in the self-insured Blue Shield plan. The County has three separate agreements with MHN: one for employees enrolled in fully-insured health plans, one for employees enrolled in the self-insured health plan, and one for former employees enrolled in COBRA coverage.

Reason for Recommendation: For FY 10/11 the MHN EAP (Group 6178) program will be administered by CSAC-EIA which was brought to the Board as part of the CSAC-EIA insurance coverage renewal on May 25, 2010. Groups 6179 and 6180, which provide mental health and substance abuse services to employees and retirees enrolled in the self-insured Blue Shield plan, were carved out for separate billing and administration by MHN. Pursuant to the agreements, the increases to the rate structure for these two groups were effective July 1, 2010. The delay in receiving final rate increase amendments from MHN was a direct result of the carve out of the these two groups and how the plans would be administered. The change in the rate structure does not change the overall estimated cost for the fiscal year.

Action to be taken following Board approval: Purchasing Agent shall establish appropriate

documents for FY 10/11 to provide for the payment of MHN charges for Groups 6179 and 6180. Human Resources - Risk Management Division shall process payments upon receipt and approval of incoming invoices.

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Concurrences: County Counsel, Risk Management, CAO