



# County of El Dorado

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## Legislation Text

**File #:** 11-0599, **Version:** 1

Human Resources, Risk Management Division, recommending the Board of Supervisors:

- 1) Authorize the Chair to sign Agreement 076-O1211 with Kaiser Foundation, Health Plan, Inc. in the estimated amount of \$3,158,312 for the period July 1, 2011 through December 31, 2011; and
- 2) Authorize the payment of premiums to Employee Benefits Specialists (EBS) the administrative billing intermediary for Kaiser Permanente.

Kaiser provides expanded provider choice to employees, allowing them to access doctors and medical facilities not available through Blue Shield or PacifiCare. This agreement includes Kaiser Senior Advantage with Part D that is available to the County's Medicare-enrolled retirees. This agreement includes a live or work rule, allowing County employees or residents who work or live in Kaiser's service area as eligible to participate.

Kaiser health insurance is funded through Risk Management's Internal Service Fund, employee payroll deductions, and retiree contributions.

BUDGET SUMMARY:		
Total Estimated Cost		\$3,158,312
Funding		
Budgeted	\$3,158,312	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$3,158,312	
Change To Net County Cost		\$0

### **Fiscal Impact/Change to Net County Cost:**

Due to upward trend in claims, Kaiser increased its rates by 6.01% for Actives and Early Retirees and by 1.29% for Retirees 65+ Senior Advantage.

The increased cost was included in the overall blended premium rates previously approved by the Board on 04/26/2011. Kaiser premium payments under this contract are estimated to total \$3,158,312, but this total may vary based on actual enrollment. The cost is shared between the County and the employees.

### **Action to be taken following Board approval:**

Board Chairperson to sign the Kaiser agreement and letter confirming payments to the administrative intermediary Employee Benefits Specialists (EBS).

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