



Pinellas County

Legislation Details (With Text)

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Type: Purchasing Delegated Item **Status:** Passed

File created: 10/10/2018 **In control:** Human Resources

On agenda: 4/23/2019 **Final action:** 4/23/2019

Title: Approval of Second Amendment to the Agreement with UnitedHealthcare Services, Inc. for requirements of Group Retiree Medical Benefits.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2019 MA-PD Plan Beneficiary Premium, 2. History - 2018 MA-PD Plan Beneficiary Premium, 3. History - BCC ratification memo

| Date | Ver. | Action By | Action | Result |
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Subject:

Approval of Second Amendment to the Agreement with UnitedHealthcare Services, Inc. for requirements of Group Retiree Medical Benefits.

Recommended Action:

Approval and execution by the County Administrator of the Second Amendment (term extension), as requested by the Human Resources Department with UnitedHealthcare Services, Inc. d/b/a UnitedHealthcare (United), for the Medicare portion of Group Retiree Medical Benefits.

- The term extension extends the Agreement for twelve (12) months and amends the contract to delete Exhibit A and replace with updated Exhibit A to reflect revised premium. Total expenditure including Medicare premiums \$228,463,547.00 with no increase to the contract total as ample funds exist to provide for claim activity
- On January 22, 2018 the County Administrator approved a twelve (12) month term extension
- On December 27, 2016 the medical benefits package, including Medicare retiree coverage was approved by the County Administrator
- The Board of County Commissioners ratified the County Administrator’s approval on January 10, 2017.

Contract No. 156-0174-P(RW) in a not-to-exceed amount of \$46,878,507.00 for sixty (60) months for Medicare premiums; total sixty (60) month benefits contract not-to-exceed \$228,463,547.00 (includes Medicare premiums). This Amendment contains no increase to the overall contract as ample funds currently exist to provide for claim activity

Strategic Plan:

- Create a Quality Workforce in a Positive, Supportive Organization
- 1.3 Make workforce safety and wellness a priority
- 1.4 Maintain a fair and competitive compensation package

Summary:

The purpose of the Amendment is to delete Exhibit A, (2018 MA-PD Plan Beneficiary Premium) in its entirety and replace with Exhibit A, (2019 MA-PD Plan Beneficiary Premium effective January 1, 2019). United recognizes the Medicare coverage portion (only) of the medical benefits contract as an annual term extension of the County's policy since January 1, 2012 and each January 1st thereafter since the initial inception of the policy. Medicare Advantage Premiums are subject to an annual adjustment per the Centers for Medicare and Medicaid Services, taking into consideration the County's claim history. Utilizing the premium-based Medicare Advantage plan provides cost certainty, due to the fixed cost per participant. There is no increase to the overall contract as the Board of County Commissioners (Board) approval contains ample funds at this point in time based on claims experience.

Background/Explanation:

The medical benefits package, including Medicare retiree coverage, was approved by the County Administrator on December 27, 2016, with ratification by the Board on January 10, 2017.

Fiscal Impact:

Sixty (60) month employee benefit premiums not to exceed: \$228,463,547.00
(Includes Medicare Premium)

Sixty (60) month Medicare Premium portion not to exceed: \$ 46,878,507.00

The Amendment has no fiscal impact

Expenditure not to exceed amount: \$228,463,547.00

Funds are derived from the Human Resource Department Employee Benefits Fund.

Delegated Authority:

Authority for the County Administrator to approve and execute this Second Amendment is granted under Code Section 2-62 (a)(2)

Staff Member Responsible:

Holly Schoenherr, Director, Human Resources Department
Joe Lauro, Director, Purchasing Department

Partners:

N/A

Attachments:

Medicare Advantage Term Extension 2019