



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Human Resources
Department No.: 064
For Agenda Of: June 7, 2011
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Jeri Muth, Interim Human Resources Director (805.568.2816)
Director(s) Bob Macleod, Chief of Employee Relations (805.568.2805)

Contact Info: Andreas Pyper, Employee Benefits Manager (805.568.2821)

SUBJECT: Extension of Term of Agreement with Employee Benefits Consultant

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Other Concurrence: Select_Other

As to form: N/A

Recommended Actions:

That the Board of Supervisors approves and authorizes the Chair to execute the attached Amendment No. 1 to the Agreement for Professional Employee Benefit Consulting Services with Alliant Insurance Services, Inc. extending the term of the Agreement to December 31, 2012, to coincide with the end of the California State Association of Counties - Excess Insurance Authority (CSAC-EIA) Health pooled risk insurance program participation agreement, and to allow Alliant Insurance Services, Inc. to complete all work related to the implementation of the employee benefits obtained through participation in the CSAC-EIA Health pooled risk insurance program.

Summary Text:

This Amendment No. 1 extends the term of the Agreement for Professional Employee Benefit Consulting Services with Alliant Insurance Services, Inc. which has been providing the County with employee benefit consulting services related to all of the County's employee benefits offerings. The Agreement with Alliant Insurance Services, Inc. is set to expire on June 30, 2011.

Upon the Board of Supervisors approval and direction the County entered the CSAC-EIA Health pooled risk insurance program in January 2010. That decision yielded positive outcomes in the first year of the

County's participation as the CSAC-EIA Health Program outperformed the 2010 marketplace, which was in keeping with its performance over the last eight years. As the CSAC-EIA Health pooled risk insurance program participation agreement ends December 31, 2012 the professional services agreement with Alliant needs to be extended in order for Alliant to complete all work related to the implementation of the employee benefits obtained through participation in the CSAC-EIA Health pooled risk insurance program.

These County employee benefits insurance and leave programs are governed by federal and state laws and regulations covered by Internal Revenue Service, Department of Labor, California Department of Fair Employment & Housing, Consolidated Omnibus Budget Reconciliation Act (COBRA), Health Insurance Portability and Accountability Act (HIPAA) and others. The increasing level of legal and administrative complexity requires the County to engage the services of specialized employee benefits consultants to negotiate, evaluate, and recommend insurance products, advise and consult on the structure of plan offerings to maximize employee and employer contributions, reduce risk exposure, consider alternative funding methods, provide actuarial services, assist with employee communications, and provide information on legal and regulatory changes.

Performance Measure:

Not applicable.

Fiscal and Facilities Impacts:

Budgeted: N/A

Fiscal Analysis:

The extension of the current Agreement does not have any new fiscal impacts. The funding source will be commissions previously earned on the current contracts. There is no additional cost to the County for Alliant's services covered by the contract.

Special Instructions:

Please send a signed original of Amendment No. 1 and a copy of the Minute Order to Andreas Pyper, Employee Benefits Manager.

Attachments:

- i. Amendment No. 1 to Agreement for Professional Employee Benefits Consulting Services
- ii. Scope of Services

Authored by:

Andreas Pyper, Employee Benefits Manager