

**MEMORANDUM
PERSONNEL DEPARTMENT
COUNTY OF PLACER**

To: Board of Supervisors
From: Nancy Nittler, Personnel Director
By: Ann Craig, Personnel Services Manager *AC*
Date: April 15, 2008
Subject: Approve the Renewal of Contract No. KN020650 with Managed Health Network for Placer County's Employee Assistance Program

Recommendation:

Approve the renewal of Contract No. KN020650 with Managed Health Network (MHN) of Point Richmond, CA to provide Placer County's 2008 Employee Assistance Program, and authorize the Purchasing Manager to sign the contract renewal for a maximum amount of \$191,350 for the period of January 1, 2008 to December 31, 2008.

Background:

Both the Placer County Deputy Sheriff's Association and the Placer Public Employees Organization Memorandums of Understanding include a provision to provide an Employee Assistance Program (EAP). The EAP is designed to balance work/life issues that could affect an employee's performance and attendance at work. MHN has provided the Employee Assistance Program for Placer County since January of 1999 and was the successful bidder again in 2005.

MHN provides counseling services in the following areas: emotional & psychological, health & wellness, drug & alcohol, elder & child care, as well as financial & legal services. Employees and their families receive up to a maximum of six visits annually. MHN is also providing training to HHS Management Staff as part of the contract. MHN has conducted research which shows providing EAP services has helped increased employee productivity, reduce attendance issues and reduced mental health care costs. Approximately 23% of Placer County employees have accessed this program over the past calendar year and periodic reporting to the Personnel Department documents a healthy, effective program.

The contract renewal would typically occur in the Fall prior to upcoming calendar year; however, it was overlooked by both our department and Procurement therefore, it is now before your Board for consideration. This is the second renewal of a three year agreement with Managed Health Network. MHN has continued to provide services without the renewal in place.

Fiscal Impact:

In light of the current budgetary situation the County Executive Office suggested the Personnel Department seek monetary relief on the renewal. The Personnel Department successfully negotiated a 10% decrease in the monthly rate for the period of April 1, 2008 through December 31, 2008, or a net decrease of approximately \$15,745 for the remainder calendar of the year. The Personnel Department budgeted \$209,945 for the Employee Assistance Program for 2007 – 2008 fiscal year and the contract renewal is within the budgeted amount.

Administering Agency: Placer County Personnel Department
Contract No. : KN020744
Contract Description: Fully Insured Employee Assistance Program for all Eligible County Employees (Second Renewal of KN020650)

CONSULTANT SERVICES AGREEMENT

AMENDMENT NO. 1

THIS AGREEMENT, originally executed February 16, 2007 by and between the County of Placer ("County"), and Managed Health Network (MHN) ("Contractor"), is amended as follows:

1. This contract is renewed for the period of January 1, 2008 through December 31, 2008.
2. Contractor Contact, Mark Collins' phone number is (510) 620-6478.
3. For the term April 1, 2008 through December 31, 2008, Contractor agrees that the Rates will be reduced from \$6.24 per employee and family unit per month to \$5.62 per employee and family unit per month.

With the exception of the above, all other provisions of this contract are unchanged.

COUNTY OF PLACER

By: _____
Jim Boggan, Purchasing Manager

Date: _____

CONTRACTOR

By: _____
Name: _____
Steven J. Sell, President

Date: 4/3/08