

**MEMORANDUM
COUNTY OF PLACER
DEPARTMENT OF ADMINISTRATIVE SERVICES
PROCUREMENT SERVICES DIVISION**

TO: Honorable IHSS Public Authority Board
FROM: David Seward, Purchasing Manager
DATE: March 7, 2006
SUBJECT: Recommendation to Fund the Second year of a Two-Year Insurance Contract with Symetra Life Insurance Co. in the Maximum Amount of \$780,000.00.

ACTION REQUESTED

Approve funding for the second year of a two-year insurance contract with Symetra Life Insurance Co. of Redmond, WA, and authorize the Purchasing Manager to sign the resulting BPO in the maximum amount of \$780,000.00.

BACKGROUND

At the request of the Placer County HHS/Public Authority, RFP No. 9389 solicited proposals from qualified firms to provide access to employer paid health, dental and vision insurance programs for the individuals employed to provide In-Home Supportive Services (IHSS) homecare services. IHSS is a State-mandated program funded by Federal, State, and County governments. The Placer County Board of Supervisors approved the formation of IHSS Public Authority to serve as the employer of record for IHSS home care workers. The IHSS Public Authority's Governing Body is the Placer County Board of Supervisors. Public Authority home care workers are hired and supervised by the IHSS Public Authority and are paid directly by the State of California as the IHSS Public Authority's payroll agent. Because home care workers are not employees of the County of Placer, the IHSS Public Authority, not the County itself, serves as the formal entity that may negotiate collective bargaining agreements. Through a collective bargaining agreement, the Public Authority agreed to provide access to employer paid health, dental and vision insurance programs for the IHSS homecare workers.

RFP No. 9389 specified an initial contract period of March 1, 2005 through February 28, 2007, with renewals available for an additional three years on a year-by-year basis. On February 9, 2005, your Board approved award of RFP No. 9389 to Symetra Life Insurance Co. and authorized the Purchasing Manager to sign the resulting contract and to sign BP012971 in the amount of \$785,040.00 covering the period March 1, 2005 through February 28, 2006.

FISCAL IMPACT

The BPO resulting from this recommendation will fund the second year of the initial two-year contract period, and will be effective from March 1, 2006 through February 28, 2007, for a maximum amount of \$780,000.00, which is a reduction of \$5,040.00 from the first-year contract maximum. IHSS home care workers' benefits are funded with a mix of State, Federal and local dollars. The County portion of these funds is 17.5%. The maximum County general fund portion of this contract is \$136,500.00.

cc: Eldon Luce, Placer County Public Authority
Nellie Chenowith, HHS/ASOC

