

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

535



FROM: Human Resources Department

SUBMITTAL DATE:
February 19, 2009

SUBJECT: Medical Plan Contract Renewal with Blue Shield of California

RECOMMENDED MOTION: 1) Ratify and approve the attached renewal contracts effective January 1, 2009 for the two medical plans offered to eligible County employees, dependents and retirees through Blue Shield of California; 2) authorize the Chairperson to sign four (4) copies of the renewal contract, and; 3) retain one (1) copy of the signed renewal contract and return three (3) copies of the renewal contract to Human Resources for distribution.

BACKGROUND: On July 29, 2008 the Board of Supervisors approved the 2009 plan rates for the County's Medical plans. The attached renewal contracts represent the the Blue Shield "Access Plus" Health Maintenance Organization (HMO) and the "Spectrum" Preferred Provider Option (PPO) Plans. Currently, there are approximately 4,685 active and 366 retired members enrolled in the Blue Shield plans at an annual cost of \$43,325,543.

Ronald W. Komers
Asst. County Executive Officer/Human Resources Dir.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 43,325,543	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2008/09

SOURCE OF FUNDS: Employee and Retiree Health Insurance Premiums	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY:
Elizabeth J. Olson

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY:
LUCY FURUTA
DATE: 2/19/09

Departmental Concurrence

- Consent
- Policy
- Consent
- Policy

Dept't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: 07/29/2008, 3.84 | District: | Agenda Number:

**ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD**

3.18

BACKGROUND (continued):

The County successfully negotiated a reduction in commission with Aon for the *Blue Shield plan* during the 2009 renewal period saving the County an estimated \$38,334. Blue Shield was not prepared to submit their contracts to the County of Riverside until this time. Contract terms have been honored since January 1, 2009. If approved, Human Resources will apply the negotiated savings towards funding County benefit administration expenses.

There is no direct cost to the County for the recommended action.