

FORM APPROVED COUNTY COUNSEL  
BY: JIMMY H. RA 11/25/09  
DATE

Departmental Concurrence

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

228



FROM: Human Resources Department

SUBMITTAL DATE:  
November 24, 2009

SUBJECT: Approval of Blue Shield of California, a California not-for-profit mutual benefit corporation as the national provider network and 3<sup>rd</sup> party administrator for The County's Exclusive Provider Organization (Exclusive Care) health plans.

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the attached Service Agreement as outlined in Exhibit 1 with Blue Shield of California to provide a network of providers to complement Exclusive Care's existing provider network and to provide Administrative Services for Tier 2 and Tier 3 claims processing under the Exclusive Care Select and Point of Service plan options;
2. Authorize the Chairperson to sign four (4) copies of the attached Agreement and retain one (1) copy of the signed Agreement, returning three (3) copies to Human Resources for distribution; and
3. Direct the Clerk of the Board to maintain the provisions of Exhibit 1 as a confidential document, not subject to disclosure, for a period of three (3) years from the date of approval by this Board, or as provided by applicable law.

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

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2009/10

SOURCE OF FUNDS: Premiums paid by members	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: Karen L. Johnson  
Karen L. Johnson

County Executive Office Signature

Policy

Consent

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

Prev. Agn. Ref.: | District: | Agenda Number:

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

3.17

**BACKGROUND:**

On July 17, 2007, Item 3.36, the Board approved the establishment of the Exclusive Care Select Retiree Health plans to be made available for Medicare eligible and non-Medicare eligible retirees of Riverside County and other public entities in California. This plan is currently using the services of Multiplan, Inc. as the national provider network. On 9/15/2009, Item 3.31, the Board approved the establishment of the Exclusive Care Select POS plan as a cost effective replacement for the existing Blue Shield PPO plan for active County of Riverside employees.

Successful management of both of these plans require: 1) access to a well designed national network of providers to serve the members' health care needs at highly competitive reimbursement schedules; 2) the ability for Exclusive Care to access and use Centers of Excellence (hospitals and other providers) that are known for their excellent outcomes for specialty lines of care; 3) No disruption in the existing provider relationships and services available to Select and current Blue Shield PPO plan members; and 4) the ability to properly process claims and medical management functions for all plan members.

To meet these requirements, the County Human Resources Department exercised due diligence by using the services of its Benefits Consultant, Aon, to identify alternatives. The national provider network that had the most extensive state and national network including access to highly rated Centers of Excellence and the best provider reimbursement schedules, and who met our unique health insurance plan administrative requirements for Select Plan retirees and active employees under the POS option was Blue Shield of California.

There is no cost to the County general fund, as member premiums pay the healthcare cost for the members' healthcare benefits. County Counsel has reviewed and approved the contract.