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

FROM: Human Resources Department

SUBMITTAL DATE: May 2, 2012

SUBJECT: 2012 Health Net of California, Inc., Medical Plan Agreements

RECOMMENDED MOTION: That the Board of Supervisors 1) ratify and approve the 2012 Health Net of California, Inc., Medical Plan and Supplement agreements (Attachments A-J), offered to eligible County employees and retirees, effective January 1, 2012 through December 31, 2012; 2) authorize the Chairperson to sign four (4) copies of the Medical Plan and Supplement agreements; and 3) retain one (1) copy of the signed Medical Plan and Supplement agreements, and return three (3) copies of the Medical Plan and Supplement agreements to Human Resources for distribution.

BACKGROUND: On August 16, 2011, Item 3.61 and October 18, 2011, Item 3.24, the Board of

Supervisors approved the 2012 Health Net Elect Open Access (EOA), Preferred Provider Organization (PPO), Seniority Plus and Medicare Coordination of Benefits plan rates for active employees and retirees. Barbara A. Olivier Asst. County Executive Officer/Human Resources Dir. In Current Year Budget: \$ 38,012,920 Current F.Y. Total Cost: Yes FINANCIAL **Current F.Y. Net County Cost: Budget Adjustment:** \$ 0 No DATA **Annual Net County Cost:** \$ 0 For Fiscal Year: 2011/12 SOURCE OF FUNDS: Employee and Retiree Health Insurance Premiums **Positions To Be Deleted Per A-30** Requires 4/5 Vote C.E.O. RECOMMENDATION: APPROVE

Stephanie Persi

County Executive Office Signature

Exec. Ofc.:

Dep't Recomm.:

Policy

X

Consent

 \boxtimes

FORM APPROVED COUNTY COUNSE!

Prev. Agn. Ref.: 08/16/2011, 3.61; 10/18/10, 3.24

District: All

Agenda Number:

Form 11 – 2012 Medical Plan Contract with Health Net of California, Inc May 2, 2012 Page 2

The attached agreements as listed below are the official documents confirming the 2012 Health Net plan rates and benefit descriptions for active employees and retired members.

- Attachment A: Health Net Elect Open Access (EOA) Group Hospital and Professional Service
 Agreement, Group Number: 76617A, E, G, H and Supplement to Group Hospital
 and Professional Service Agreement;
- Attachment B: Health Net PPO Group Insurance Policy, Group Number: N5432A, E, G, H, J, K and Supplement to Health Net PPO Group Insurance Policy:
- Attachment C: Health Net PPO Group Insurance Policy, Group Number: 15834A, E, G, H and Supplement to Health Net PPO Group Insurance Policy;
- Attachment D: Health Net HMO Medicare Coordination of Benefits (COB) Riverside Group Hospital and Professional Service Agreement, Group Number 69381M and Supplement to Group Hospital and Professional Service Agreement;
- Attachment E: Health Net PPO Medicare Coordination of Benefits (COB) Riverside, Group Insurance Policy, Group Number N5432M and Supplement to Health Net PPO Group Insurance Policy;
- Attachment F: Health Net Flex Net Insurance Policy; Group Number: N1658A and Supplement to Health Net PPO Group Insurance Policy;
- Attachment G: Health Net Group Medicare Prescription Drug Plan Policy, Group Number: N1658R and N5432R and Supplement to Group Medicare Prescription Drug Plan;
- Attachment H: Health Net Group Medicare Prescription Drug Plan Policy, Group Number: 69381R and Supplement to Group Medicare Prescription Drug Plan;
- Attachment I: Health Net Group Hospital and Professional Service Agreement, Group Number:
 69381S and Supplement to Group Hospital and Professional Service Agreement.
- Attachment J: Health Net Group Hospital and Professional Service Agreement, Group Number: 69381T and Supplement to Group Hospital and Professional Service Agreement.

Currently, there are approximately 3,371 active and 494 retired members enrolled in the Health Net plans at an estimated annual cost of \$38,012,920. Health Net was not prepared to submit their contract agreement to the County of Riverside until this time.

Contract terms have been honored since January 1, 2012 and there is no direct cost to the County for these recommended actions.