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

FROM: Human Resources Department

SUBMITTAL DATE:
August 31, 2015

SUBJECT: Ratify and approve the Retiree Group Health Services Agreement with SCAN Health Plan for the 2015 Calendar Year. [District- ALL] [Total Cost - \$72,024] [Source of Funds - Employee and Retiree Premiums]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Ratify and approve the Retiree Group Health Services Agreement between SCAN Health Plan and the County of Riverside for the period of January 1, 2015 through December 31, 2015 (Attachment A);
2. Authorize the Chairperson to sign four (4) copies of each agreement; and
3. Retain one (1) copy of each agreement and return three (3) copies of each agreement to Human Resources for distribution.

BACKGROUND:

Summary

On September 9, 2014, Item 3.66, the Board of Supervisors approved the 2015 SCAN Health Plan rates for retired employees and their dependents who are Medicare eligible. SCAN Health Plan is a fully insured Medicare Advantage plan with approximately 90 subscribers.

Michael T. Stock
Asst. County Executive Officer/
Human Resources Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 36,012	\$	\$ 72,024	\$	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$	\$	\$	\$	

SOURCE OF FUNDS: Retiree Health Insurance Premiums and Departmental Budgets	Budget Adjustment: No
	For Fiscal Year: 14/15-15/16

C.E.O. RECOMMENDATION: APPROVE
BY:
Lani Sioson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

FORM APPROVED COUNTY COUNSEL 9/15
BY: GREGORY P. PRIAMOS DATE
Departmental Concurrence

- A-30
- 4/5 Vote
- Positions Added
- Change Order

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: Ratify and approve the Retiree Group Health Services Agreement with SCAN Health
Plan for the 2015 Calendar Year. [District- ALL] [Total Cost - \$72,024] [Source of Funds - Employee
and Retiree Premiums]**

DATE: August 31, 2015

PAGE: 2 of 2

Background Summary (Continued)

SCAN was unable to submit the 2015 Service Agreement until the Centers for Medicare and Medicaid Services released their reimbursement rate.

Impact on Residents and Businesses

There is no direct impact to residents or businesses in the County of Riverside.

SUPPLEMENTAL:

Additional Fiscal Information

The County's contribution toward retiree medical premiums ranges from \$25 to \$256 per month, based on the retiree's bargaining or employee unit at the time of retirement. The total Contribution for retirees enrolled in SCAN is approximately \$72,024 per year. Retirees pay the remainder of the monthly premiums.

Contract History and Price Reasonableness

County has contracted with SCAN since 2009. SCAN Health Plan is a fully insured HMO Medicare Advantage plan, offered to County retirees. Medicare Advantage plans require participants to assign their Medicare Part A and Part B coverage to SCAN in exchange for coverage under the plan.

Retirees may purchase private individual SCAN coverage. However, SCAN's private individual coverage does not offer prescription drug coverage or other plan benefits as generous as the group coverage retirees receive through the County.

ATTACHMENTS (if needed, in this order):

- A. Retiree Group Health Services Agreement, including the HIPAA Business Associate Agreement (Exhibit 1) and SCAN Employer Group (HMO) Evidence of Coverage for 2015 (Exhibit 2)**