

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



ITEM: 3.55
(ID # 22262)

MEETING DATE:
Tuesday, June 27, 2023

FROM : HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES: Approve Amendments with PRISM and Talkspace Network LLC for continued employee assistance program and online mental health services for three (3) additional years, All Districts. [Total Cost \$2,567,400, 100% Core HR Services Rate]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Amendment No. 2 to the Agreement with Public Risk Innovation, Solutions, and Management (PRISM) for employee assistance program services through Anthem Blue Cross to increase the annual Agreement amount by 5% from \$448,800 to \$472,560 and extend the contract term through December 31, 2025; and
2. Approve Amendment No. 2 to the Letter Agreement with Talkspace LLC for online mental health services to decrease the annual Agreement amount by 12.5% from \$528,000 to \$462,000 and extend the contract term by three additional years through June 30, 2026; and
3. Authorize the Chair of the Board to sign three (3) copies of each Amendment and direct the Clerk to retain one copy of each and return two to Human Resources for distribution.

ACTION:

Michael Bowers

Michael Bowers, Assistant HR Director

6/8/2023

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Spiegel and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez
Nays: None
Absent: None
Date: June 27, 2023
xc: H.R.

Kimberly A. Rector
Clerk of the Board

By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 976,800	\$ 934,560	\$ 2,567,400	\$
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$
SOURCE OF FUNDS: 100% Core HR Services Rate			Budget Adjustment:	No
			For Fiscal Year:	23/24-25/26

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Prev. Agn. Ref.: 06/30/20 3.53

Summary

The Human Resources Department studied all its programs and services during the FY20-21 budget process to find opportunities for cost savings, service improvements, or both. The Employee Assistance Services (EAS) and Culture of Health (COH) programs were identified as areas where both savings and improvements could be realized.

The then current EAS and COH programs were both administered in-house by a total of 14 County employees and a cost of \$2.35M annually, which included the cost of staffing, technology support, supplies and services, utilities and leased space.

Since contracting with outside providers who specialize in employee wellness, and utilize economies of scale in providing services, County employees have enjoyed a substantial increase in the number, type, and availability of wellness services and benefits for themselves, their dependents, and their household members since July of 2020. At the same time, the County has saved \$1.3M annually on the cost of providing such services.

For the past three years those services have been provided by three companies as follows.

ANTHEM EAP

Public Risk Innovation, Solutions, and Management (PRISM) is a member-directed risk sharing pool of public agencies. PRISM offers an Employee Assistance Program (EAP) through Anthem Blue Cross. Anthem has been providing robust and comprehensive EAP and work-life services combined with superior clinical expertise and account management for more than 35 years to thousands of employers (large and small, public and private, domestic and international) and serving millions of their employees and family members.

The EAP is available 24/7 by phone or website, providing confidential access to customer care specialists and licensed clinicians at any time. Help is just a call or click away. In addition to helping members, Anthem EAP offers employer services that strengthen the organization's response to workplace issues, and a robust suite of services to help members handle life's challenges, big or small.

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TALKSPACE

Talkspace is a fully integrated, HIPAA certified, technological platform with a national network of providers trained to use the platform as their “Digital Therapy Office.” The platform is equipped with tools for training, education, client progress tracking, extensive data science research tools for better diagnosis and client progress; data storage of client transcripts and provider notes storage. Talkspace has a fully functioning national network across the United States who deliver messaging-based therapy for a variety of behavioral conditions.

The Talkspace platform provides behavioral health therapy and emotional wellness support, with a vetted, trained network of thousands of master’s level and higher, experienced, licensed and insured therapists. Talkspace works with everyday emotional wellness needs like relationship issues and workplace stress, as well as diagnoses such as depression, anxiety, PTSD, substance use disorders, and most other behavioral health conditions.

ALLIANT WELLNESS

Alliant's approach to Employee Health includes the 5 drivers of well-being: Physical Health, Emotional Health, Financial Security, Job Satisfaction, and Social Connectedness.

Alliant provides a Health and Productivity Wellness program for Riverside County employees which includes the following: Dedicated Wellness Director, customized program build-out, physical health engagement, employee engagement strategies, employee training and webinars, nutrition education, communication campaigns, and mental health services through EAP partnership

Impact on Residents and Businesses

There is no expected negative impact on residents or businesses.

Additional Fiscal Information

Fiscal Year	Date	Current Contract Anthem EAP	Current Contract Talkspace	Current Contract M.O. 3.53 06/30/20	Contract Extension Costs Anthem EAP	Contract Extension Costs Talkspace	Total Contract Extension Costs	Contract Extension Years
20-21	Jul 2020-Jun 2021	\$ 448,800	\$ 528,000	\$ 976,800				
21-22	Jul 2021-Jun 2022	\$ 448,800	\$ 528,000	\$ 976,800				
22-23	Jul 2022-Jun 2023	\$ 448,800	\$ 528,000	\$ 976,800				
23-24	Jul 2023-Jun 2024				\$ 472,560	\$ 462,000	\$ 934,560	Y1
24-25	Jul 2024-Jun 2025				\$ 472,560	\$ 462,000	\$ 934,560	Y2
25-26	Jul 2025-Dec 2025 Jan 2026-Jun 2026				\$ 236,280	\$ 462,000	\$ 698,280	Y3
				\$ 2,930,400			\$ 2,567,400	

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Anthem EAP, Talkspace, and Alliant Wellness are made available to all County employees as part of the benefits offered via Human Resources, and the cost is fully recovered from Departments via the Human Resources Core Services Rate.

Anthem EAP is being offered to the County at a cost of \$1.79 per employee per month, which is a 5% increase over the previous \$1.70 rate. Estimating a total employee population of 22,000, the annual cost for this contract is \$472,560. The new rate is in effect for the duration of the contract through December 31, 2025.

Talkspace is being offered to the County with an additional 12.5% or \$0.25 discount off the already discounted \$2 price per employee per month. With the same estimated employee population of 22,000, that equals \$38.5K per month, \$462K per year. The rate is guaranteed for the duration of the contract through June 30, 2026.

Alliant Wellness is also being offered to the County with no increase to the \$49K annual cost. This amount and the Agreement for Alliant Wellness to extend an additional three years is not included in this request or the table above because it is being reviewed and approved through the Purchasing Agents authority, and is covered by \$50K in annual wellness funds negotiated with and provided by Anthem Blue Cross each contract year.

Contract History and Price Reasonableness

The County entered into agreements with all three vendors effective July 1, 2020 with initial terms of one (1) year through June 30, 2021 with options to renew two additional years, and has since amended the Agreements one time to extend the period of performance through June 30, 2023.

The current amendments renew the Anthem EAP services through December 31, 2025 to align with the rate renewals negotiated between PRISM and Anthem, and the Talkspace services through June 30, 2026.

The County is a member of the Joint Powers Agreement (JPA) creating the California State Association of Counties Excess Insurance Authority (CSAC-EIA), now known as Public Risk Innovation, Solutions, and Management (PRISM). The JPA allows public agencies to purchase insurance and other common services that leverage their combined buying power. These programs and services are vetted by PRISM's procurement process and approved by their Executive Committee.

As part of their procurement process, Alliant conducted a bid on behalf of PRISM for an Employee Assistance Program (EAP) in June 2019. Based on the evaluation of four responsive bid proposals, Alliant determined Anthem to be the most responsive bidder with the most competitive pricing offered for the EAP program.

Alliant also conducted a bid on behalf of City of Irvine for digital message-based therapy. Three bidders were found to be responsive with costs ranging from \$3.50 per employee per month to

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\$17.06 per employee per month with Talkspace providing the lowest cost to the City of Irvine. Talkspace had lowered this cost to \$2.00 per employee per month for Riverside County, and Human Resources requested to piggy-back off City of Irvine's bid process and leverage the savings offered by Talkspace.

The County's past Employee Assistance Services and Culture of Health programs had a combined total annual cost of \$2.35M annually. None of those programs offered all the services and benefits available with Anthem EAP, Talkspace, and Alliant Wellness. The total combined annual cost of \$934.5K represents annual savings of \$1.41M.

Review/Approval

County Purchasing concurs with this request, and because these are existing services that were initially awarded through a competitive process and approved by the Board on June 30, 2020 (Item 3.53)—sole source justification is not required. County Counsel approved the Amendments as to legal form.

ATTACHMENT A. Anthem EAP Amendment No 2 AATF

ATTACHMENT B. Talkspace Amendment No 2 AATF



Suzanna Hackley, Assistant Director of Purchasing and Fleet Service 6/9/2023



Kristine Bell-Valdez, Supervising Deputy County Counsel 6/13/2023

COUNTY OF RIVERSIDE
AMENDMENT NO. 2 TO THE AGREEMENT
WITH
PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT

Original Contract Term:	July 1, 2020 through June 30, 2021
Contract Term Extended To:	December 31, 2025
Effective Date of Amendment:	July 1, 2023
Original Annual Maximum Contract Amount:	\$448,800 (\$1.70 per employee per month)
Amended Annual Maximum Contract Amount:	\$472,560 (\$1.79 per employee per month)
Original Contract ID:	Not applicable
Amended Contract ID:	HRARC-95238-001-12/25

This Amendment No. 2 to the Agreement for the Employee Assistance Program is entered into by and between the County of Riverside, a political subdivision of the State of California, on behalf of its Human Resources Department (“COUNTY”) and PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT, a California joint powers authority (“PRISM”), effective July 1, 2023. COUNTY and PRISM are collectively referred to herein as the “Parties”, and individually as the “Party”.

RECITALS

WHEREAS, COUNTY and PRISM entered into that certain Agreement for the Employee Assistance Program (the “Agreement”) for a contract term of July 1, 2020 through June 30, 2021, with the option to renew for two (2) additional years; and

WHEREAS, the Parties have since amended the Agreement 1 time as follows:

- a. **Amendment No. 1** effective on July 1, 2022, extended the period of performance through June 30, 2023; and

WHEREAS, the Parties now desire to extend the period of performance through December 31, 2025, increase the per employee per month rate by 5% from \$1.70 to \$1.79, and the annual maximum contract amount based on the same 22,000 employee count.

NOW THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. The above recitals are true and correct and are incorporated herein by reference.
2. Contract Identification (ID) number (#) HRARC-95238-001-12/25 is hereby added for reference to the Agreement.
3. Commencing on the Effective Date of this Amendment No. 2, the fee listed in Section 1 of the Agreement shall increase from \$1.70 to \$1.79 per regular employee per month.
4. The Parties hereby extend the term of the Agreement through December 31, 2025.
5. All other terms and conditions of the Agreement not modified herein shall remain unchanged.

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6. The "Effective Date" of this Amendment No. 2 shall be July 1, 2023.
7. This Amendment No. 2 and the Agreement taken together with the amendments contain the entire understanding of the Parties. There are no other oral or written representations, understandings, ancillary covenants, undertakings, or agreements that are not contained or expressly referred to within this Amendment No. 2.
8. The Parties agree to execute such other documents and to take such other actions as may be necessary to further the purpose of this Amendment No. 2 and the Agreement.
9. USE OF ELECTRONIC SIGNATURES: This Amendment may be executed in any number of counterparts, each of which will be an original, but all of which together will constitute one instrument. Each party of this Amendment agrees to the use of electronic or digital signatures that meet the requirements of the California Uniform Electronic Transactions Act ("the Act") Cal. Civ. Code §§ 1633.1-1633.17), for executing this Amendment. The parties further agree that the electronic or digital signatures of the parties included in this Amendment are intended to authenticate this writing and to have the same force and effect as manual signatures. The Act authorizes use of an electronic signature for transactions and contracts among parties in California, including governmental agencies. For purposes of this section, a digital signature is a type of "electronic signature" as defined in subdivision (i) of Section 1633.2 of the Civil Code.
10. CORPORATE SIGNERS: Pursuant to California Corporations Code Section 313, please provide signature of chairperson of the board, president, or any vice president, and the secretary, any assistant secretary, the chief financial officer, or any assistant treasurer. If providing only one signature, please also provide a resolution or other proof of delegated authority that shows signer can legally bind the corporation.

[SIGNATURES ON FOLLOWING PAGE]

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PUBLIC RISK INNOVATION, SOLUTIONS, AND MANAGEMENT

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Amendment.

COUNTY OF RIVERSIDE, a political
subdivision of the State of California

By: 
Chair,
Board of Supervisors

KEVIN JEFFRIES

Dated: 6/27/23

PUBLIC RISK INNOVATION,
SOLUTIONS, AND MANAGEMENT, a
California joint powers authority

By: Sidney DiDomenico
Sidney DiDomenico,
Director of Employee Benefits

Dated: Jun 9, 2023

ATTEST:

Kimberly Rector
Clerk of the Board

By: 
Deputy

APPROVED AS TO FORM:

County Counsel
Minh C. Tran

By: Michael Thomas
Michael Thomas,
Deputy County Counsel

JUN 27 2023 3.55

AMENDMENT NO. 2 TO LETTER AGREEMENT

This Amendment No. 2 to Letter Agreement (the “Amendment”) is entered into as of July 1, 2023, by and among Talkspace LLC, a Delaware limited liability company, Talkspace Provider Network, PA, a Texas professional association (“TPN”, and together with Talkspace LLC, “Talkspace”), and County of Riverside, located at 4080 Lemon Street, Riverside, CA 92501, United States on behalf of itself and any affiliate entities (“Co. of Riverside”). Talkspace and Co. of Riverside are sometimes referred to herein individually as a “Party” or together as the “Parties”.

RECITALS

WHEREAS, the predecessor-in-interest to Talkspace and Co. of Riverside entered into that certain Letter Agreement, dated as of June 30, 2020, by and between Talkspace Network, LLC and Co. of Riverside, incorporated herein by reference (as previously amended, the “Existing Agreement”); and,

WHEREAS, the Parties desire to enter into this Amendment to modify and amend certain provisions of the Existing Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

1. The foregoing recitals are hereby incorporated into and made a part of this Amendment including all defined terms referenced therein, with the same force and effect as if the same were herein repeated fully and at length. Capitalized terms used herein but not otherwise defined herein shall have the meanings ascribed to such terms in the Existing Agreement.

2. Amendment to Existing Agreement. As of the Effective Date of this Amendment, the Existing Agreement and associated Exhibits are hereby amended as follows:

(i) The “Payment” Section of the Existing Agreement is hereby deleted in its entirety and replaced with the following:

Fees; Payment.

(a) Fees. In connection with the Renewal Term, as defined below, Co. of Riverside agrees to pay Talkspace the fees (“Fees”) set forth in **Exhibit A-1: Services and Compensation** attached hereto. Notwithstanding the foregoing, in addition to the Fee adjustment described above, the Parties acknowledge and agree that, during the Renewal Term, if market conditions so require, Talkspace may propose an increase in Fees (“Fee Increase Proposal”). If a Fee Increase Proposal is made, the Parties shall negotiate the terms of such Fee Increase Proposal in good faith.

(b) Payment. Talkspace shall invoice Co. of Riverside for all Fees in accordance with the invoicing schedule and requirements set forth in **Exhibit A-1: Services and Compensation**. Co. of Riverside shall pay Talkspace within thirty (30) days after receipt of the invoice via direct payment methodology, such as an ACH (electronic methods are preferred). Co. of Riverside shall have the right to reasonably, and in good faith, dispute any invoice or any portion of any invoice claimed by Talkspace as due and

payable provided that Co. of Riverside timely pays any undisputed portion of the amount due and payable.

(ii) **Exhibit A: Compensation** of the Existing Agreement is hereby deleted in its entirety and replaced with the updated, attached **Exhibit A-1: Services and Compensation**.

(iii) All reference to the Term or period of performance in the Existing Agreement or is hereby amended to a period of performance through June 30, 2026.

3. Entire Agreement. This Amendment constitutes the sole and entire agreement between the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to such subject matter.

4. Counterparts. This Amendment may be executed in one or more counterparts, whether by facsimile, electronic signature (including portable document format) or similar, each of which shall be deemed original and shall be considered part of the Existing Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Amendment No. 2 to Letter Agreement as of the date first set forth above.

COUNTY OF RIVERSIDE, a political subdivision of the State of California

By: [Signature]
Chair, **KEVIN JEFFRIES**
Board of Supervisors

Dated: 6/27/23

ATTEST:
Kimberly Rector
Clerk of the Board

By: [Signature]
Deputy

APPROVED AS TO FORM:

County Counsel
Minh C. Tran

By: Michael Thomas
Michael Thomas,
Deputy County Counsel

TALKSPACE LLC, a Delaware limited liability company

By: [Signature]
John C. Reilly,
General Counsel

Dated: Jun 9, 2023

TALKSPACE PROVIDER NETWORK, PA, a Texas professional association

By: [Signature]
John C. Reilly,
General Counsel

EXHIBIT A-1: SERVICES AND COMPENSATION

Pricing:

The Parties agree to implement a Per Employee Per Month (“PEPM”) payment plan for all Co. of Riverside’s Eligible Population. Talkspace will provide Co. of Riverside its Unlimited Messaging Therapy Services at the PEPM cost outlined below:

Unlimited Messaging Therapy	<p>July 1, 2023 through June 30, 2024: \$1.75</p> <p>July 1, 2024 through June 30, 2025: \$1.75</p> <p>July 1, 2025 through June 30, 2026: \$1.75</p>
Additional Fees	Non-standard Services and custom requests will be discussed and any applicable additional pricing exhibit will be mutually created

Invoice:

Talkspace will submit invoices by the 15th day of the month for Services provided in the previous month based on the Eligible Population as of the 20th day of that month. Talkspace reserves the right to reconcile and charge retroactively for any uncharged counts.

EFFECTIVE DATE: July 1, 2023