

HANDOUT #5

RESOLUTION NO. _____ INTRODUCED BY THE EXECUTIVE COMMITTEE TO AMEND THE AFLAC AND THEIR DESIGNATED SERVICE COMPANY'S FEE SCHEDULE FOR THE PROGRAMS PROVIDED TO THE COUNTY OF SULLIVAN AND ITS EMPLOYEES

WHEREAS, the County renewed and reauthorized the programs in 2012 by Resolution 324-12; and

WHEREAS, New York State's insurance regulations prohibit the offering of free or reduced-cost value-added services to insureds or prospective insureds. This includes services related to the administration of flexible spending accounts (FSAs), COBRA administration, prescription discount cards, etc.; and

WHEREAS, existing free or reduced-cost FSAs were grandfathered in through the initial 3-year term of our Reimbursement Services Agreement (RSA) with Wage Works, which ended on 12/31/2015. In order to be compliant with our state's insurance regulations, our programs must be converted to an employer-paid arrangement. Pursuant to the terms of the Reimbursement Services Agreement, new fees are listed below and shall be effective as of 1/1/2016.

WHEREAS, the County wishes to continue these benefits to its employees; and

WHEREAS, the new fees are:

a. Monthly Service Fee: \$3.95 per Participant, per month (PPPM), subject to a Monthly Minimum Fee of \$0.00. (To be paid by the participant)

b. Compliance Services: A Compliance Fee of \$50.00 per month shall apply. (To be paid by the County); and

NOW, THEREFORE, BE IT RESOLVED, the County manager is authorized to amend the agreement with AFLAC and its designated service company to provide the above mentioned programs to the County of Sullivan with the designated fees, such agreement to be approved as to form by the County Attorney.

**COMBINED: LEGISLATIVE MEMORANDUM,
CERTIFICATE OF AVAILABILITY OF FUNDS
AND RESOLUTION COVER MEMO**

To: Sullivan County Legislature

Fr: Monica Farquhar Brennan - Director of Risk Management

Re: Request for Consideration of a Resolution: to amend fee schedule for AFLAC program

Date: 5/19/2016

Purpose of Resolution: [Provide a detailed statement of what the Resolution will accomplish, as well as a justification for approval by the Sullivan County Legislature.]

This resolution amends the service agreement for the fees that must be paid for the AFLAC medical care expense reimbursement (URM) and dependent daycare (DDC) programs for Sullivan County employees.

Is subject of Resolution mandated? Explain:

No.

Does Resolution require expenditure of funds? Yes No

If "Yes, provide the following information:

Amount to be authorized by Resolution: \$ 600.00

Are funds already budgeted? Yes No

If "Yes" specify appropriation code(s): _____

If "No", specify proposed source of funds: County Health pending budget modification.

Estimated Cost Breakdown by Source:

County	\$ <u>600.00</u>	Grant(s)	\$ _____
State	\$ _____	Other	\$ _____
Federal Government	\$ _____	(Specify)	_____

Verified by Budget Office: _____

Does Resolution request Authority to Enter into a Contract? Yes No

If "Yes", provide information requested on Pages 2. If "NO", please go straight to Page 3 and acquire all pre-legislative approvals.

Request for Authority to Enter into Contract with [_____] of
[_____]

Nature of Other Party to Contract: .

Other:

Duration of Contract: From 01/01/2016 To 12/31/2016

Is this a renewal of a prior Contract? Yes No

If "Yes" provide the following information:

Dates of prior contract(s): From 01/01/2013 To 12/31/2015

Amount authorized by prior contract(s): 0.00

Resolutions authorizing prior contracts (Resolution #s): 324-12

Future Renewal Options if any:

Is Subject of Contract – i.e. – the goods and/or services Mandated? Yes No

If "Yes" cite the mandate's source; describe how this contract satisfies the requirements:

If "No" provide other justification for County to enter into this Contract: [County does not have resources in-house, best source of the subject materials, required by grant, etc.]:

County desires to continue the offering of these voluntary coverages to its employees

Total Contract Cost for [year or contract period]: (If specific sum is not known state maximum potential cost): \$600.00

Efforts made to find Less Costly alternative:

N/A

Efforts made to share costs with another agency or governmental entity:

N/A

Specify Compliance with Procurement Procedures (Bid, Request for Proposal, Quote, etc.)

Person(s) responsible for monitoring contract (Title): Director of Risk Management

Pre-Legislative Approvals:

- A. Director of Purchasing: _____ Date _____
- B. Management and Budget: _____ Date _____
- C. Law Department: _____ Date _____
- D. County Manager: _____ Date _____
- E. Other as Required: _____ Date _____

Vetted in _____ Committee on _____