

COUNTY OF NEVADA

DEPARTMENT OF HUMAN RESOURCES

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NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: June 9, 2020

TO: Board of Supervisors

FROM: Steven Rose, Director of Human Resources

SUBJECT: Resolution approving the Administrative Services Agreement between the County of Nevada and Basic Pacific for third-party pre-tax benefit administration and COBRA administration on behalf of the County's health and welfare plan broker and authorizing enhanced benefit enrollment and service coordination with Building Blocks for Business (BB4B) for the period beginning June 9, 2020 through December 31, 2021, and authorizing the Human Resources Director to Execute the Agreement on behalf of the County of Nevada.

RECOMMENDATION: Approve the attached Resolution

FUNDING: The funding is included in the Human Resources Benefits budget for FY 19/20 and FY 20/21. There is no budget amendment required and no additional General Fund dollars are needed.

BACKGROUND:

Recently, the County changed benefits brokers after a decade with the same broker. The new broker, Keenan and Associates, has gone out to bid on a variety of our benefits in order to provide the County with benefits and services at a better price and with additional customer service options. The research conducted revealed that there were additional services available, including a platform to provide virtual benefit enrollment to our employees that this Board approved in April 2020 through the benefits software – Benefits Bridge, allowing for online enrollment of benefits from anywhere, anytime for our employees.

After a careful review Keenan & Associates and County personnel identified Building Blocks for Business (BB4B) as a capable administrator of the health and welfare plan brokerage services performed by Keenan & Associates, thereby enhancing benefit enrollment service delivery through the use of trained benefits specialists to serve employees during open enrollment and life events while reducing staff time. Further, Basic Pacific was identified as a qualified entity to provide pre-tax benefit administration and mandated COBRA administration services as a third-party administrator for BB4B. Basic Pacific will enhance benefit service delivery needs to our employees and reduce staff time meeting the County's needs.

Before the Board today is a proposed Administrative Services Agreement with Basic Pacific that will authorize the pre-tax benefit administration as a third-party administrator for BB4B and enable BB4B and Basic Pacific to work hand-in-hand with Benefits Bridge to collaborate as partners working in the best interest of the County and our employees. These providers work in tandem allowing Basic Pacific to act as the third-party administrator for the Flexible Spending Arrangement (FSA), free of charge (currently costing the County \$7,000 annually for administration) by offering other non-County sponsored ancillary benefits to our employees at no cost to the County through an Enrollment Expectation Agreement that enables the County and BB4B to link interested employees with these ancillary benefits. Such optional benefits include accident and cancer insurance just to name a couple. In addition to the free FSA administration, they would also administer the other tax-free benefits such as pre-tax childcare and pre-tax health insurance premium elections. By joining Building Blocks and Basic Pacific to our Benefits Bridge software platform, the County gains their certified benefit representatives to assist our employees six days a week online or over the phone during open enrollment or during a life event creating the need to change their benefit selection. In addition, for a nominal fee, Building Blocks will administer the County's mandated COBRA notifications.

These platforms work seamlessly with Benefits Bridge and we are excited to create the ability to move the County employee benefits experience to anywhere they are located, on any device with benefit experts at their disposal while broadening their selection of benefits at no cost to the County.

The Resolution will also authorize the Human Resources Director, as Plan Administrator, to work with Building Blocks and Basic Pacific at year end each year to review and approve annual renewal documents.

Your consideration of this change is appreciated.

Respectfully submitted,

Item Initiated and Approved by: Steven Rose, Director of Human Resources

Submitted Date: June 3, 2020