

COUNTY OF NEVADA

DEPARTMENT OF HUMAN RESOURCES

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NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: August 10, 2021

TO: Board of Supervisors

FROM: Steven Rose, Director of Human Resources

SUBJECT: Resolution approving the Administrative Services Agreement between the

County of Nevada and Voya Benefits Company, LLC for third-party Retiree benefit administration and COBRA administration for the period beginning September 1, 2021 through December 31, 2024 and authorizing the Human Resources Director to Execute the Agreement on behalf of the

County of Nevada.

RECOMMENDATION: Approve the attached Resolution

FUNDING: This is a multi-year contract ending December 31, 2024. The funding for FY 2021/22 is built into the Human Resources Benefits budget, and funding for future years will be included in subsequent budgets. There is no budget amendment needed and there are no additional general funds required.

The County will pay the following administrative fees:

COBRA administrative fee \$0.70 per participant/per month Retirees Direct Bill administrative fee \$3.50 per participant/per month

COBRA Takeover fee \$25.00 one-time per COBRA participant

ARPA subsidy expiration notice fee \$15.00 one-time per eligible COBRA participant

BACKGROUND:

On June 23, 2020, the Board approved Resolution 20-263 whereby the Parties entered into an Agreement with Basic Pacific to provide third-party pre-tax benefit administration and COBRA administration for dental and vision benefits on behalf of the County's health and welfare plan broker, Keenan & Associates, and benefit enrollment and service coordination with Building Blocks for Business.

Prior to contracting with Basic Pacific, Preferred Benefit Insurance Administrators ("PBIA"), was providing the third-party benefit administration for our pre-tax and COBRA dental and vision benefits, as well as Retiree dental and vision benefits.

On April 13, 2021, the Board approved Resolution 21-109 whereby the Parties amended the agreement with Basic Pacific to include the County's retiree dental and vision benefits administration and dissolve the current agreement for retiree dental and vision administration with PBIA.

The transition has not been smooth, and we have experienced many unacceptable errors on the part of Basic Pacific affecting the benefits administration to County retirees. For this reason, we feel the need to transition to a company that has the ability to provide the customer service that meets the County's expectations. We believe that Voya Benefits Company (Voya) can provide that service by assuming our COBRA and Retiree dental and vision administration so that we may provide the highest level of customer service to our retirees.

Voya is fully qualified and has agreed to assume the administration of the County's COBRA and Retiree dental and vision benefits, providing a smoother transition for our retirees.

Your consideration of this change is appreciated.

Respectfully submitted,

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

Submitted Date: July 27, 2021 Resubmitted: August 2, 2021