FROM: HUMAN RESOURCES:

SUBJECT: HUMAN RESOURCES - Approve and execute Addendum No. 2 for the Exclusive Care Agreement with Monument Systems LLC, for Software System Support services for five (5) years, All Districts. [Total Cost: $1,250,000] [Source of Funds: 100% Exclusive Care Premiums paid by Members]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and execute Addendum No. 2 with Monument Systems LLC, for Software System Support and Maintenance in the annual amount of $250,000 from July 1, 2017 through June 30, 2020, with the option to renew for two (2) additional years in one (1) year increments; and

2. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, based on the availability of fiscal funding and as approved by County Counsel to: sign amendments that do not change the substantive terms of the Agreement; and sign amendments to the compensation provisions that do not exceed the annual CPI rates.

ACTION: Policy

Michael Strock, Assistant CAO/Director of Human Resources 6/8/2017
C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

In 1999, the Board of Supervisors established the County’s self-funded Exclusive Provider Option (EPO) health plan, Exclusive Care, to provide a value health plan option to the employees of Riverside County and their families.

On November 26, 2002, the Board of Supervisors first approved an agreement with Monument Systems, LLC (formerly HealthTrio) to purchase and install the current claims payment, eligibility and health information system for Exclusive Care. On October 16, 2012, (agenda item 3.30), and October 22, 2013 (agenda item 3.23) the Board of Supervisors approved the Software System Support and Maintenance Agreement for the Monument Systems claims payment, eligibility system, and health information system which includes system updates, patches and ad hoc programming support for the HealthTrio system.

This Addendum renews the agreement for three (3) years (July 1, 2017 through June 30, 2020) and includes options to renew for two (2) additional one year periods (July 1, 2020 through June 30, 2021 and July 1, 2021 through June 30, 2022).

The software used in the claims payment and eligibility system was designed by Monument Systems, LLC, and is proprietary in nature. For fiscal year 2016-2017 Exclusive Care is budgeted to adjudicate and pay over $60 million in medical and hospital claims using this health information system. This Addendum is required to insure that the systems are up to date with changing regulations, updated reference tables, and allows Exclusive Care to meet any reporting requirements.

Impact on Residents and Businesses

There is no direct cost to the County for the recommended action, as these costs are funded by Exclusive Care premium dollars and included in its operating budget.

SUPPLEMENTAL:

Additional Fiscal Information
The annual maintenance fee is $151,200 per year for the duration of the contract. The hourly programming rate for ad hoc requests is $210 per hour. The maximum annual expenditure during the contract period is $250,000 (including the maintenance fee).

**Contract History and Price Reasonableness**

The current hourly programming rate is $210 per hour. There will be no increase in the hourly programming rate for the duration of the contract. Rates are calculated based on the Monument Systems/HealthTrio GSA contract GS-35F-0137Y.

**ATTACHMENTS:**

**ATTACHMENT A. Addendum No. 2 To the xpress™ Software System Support & Maintenance Agreement Between County of Riverside on Behalf of the Exclusive Care Division of its Human Resources Department and Monument Systems, LLC**

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Teresa Summers, Assistant Director of Purchasing 6/9/2017

Gregory V. Prianis, Director County Counsel 6/9/2017

Dave Rogers, Chief Information Officer 6/8/2017