

RESOLUTION NO. 2013-281

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, APPROVING AMENDMENTS TO THE CURRENT ADMINISTRATIVE SERVICES AGREEMENT WITH BLUE CROSS AND BLUE SHIELD OF FLORIDA, INC. D/B/A FLORIDA BLUE.

RECITALS:

WHEREAS, the County's existing administrative services agreement with Florida Blue is set to expire December 31, 2017; and

WHEREAS, Florida Blue has offered a reduced rate for a three year contract extension through December 31, 2017; and

WHEREAS, the proposed amendment will maintain the current administrative fee of \$46.50 per contract per month through December 31, 2017; and

WHEREAS, Beginning in 2014, Florida Blue will pay the County annual wellness contributions in the amount of \$50,000 each year through 2017; and

WHEREAS, the St. Johns County Insurance Committee has determined the modifications are needed and therefore recommends approval of the proposed amendments.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Johns County, Florida, that:

Section 1. The above recitals are incorporated into the body of this Resolution and such Recitals are adopted as findings of fact.

Section 2. The attached modifications reviewed and recommended for approval by the St. Johns County Insurance Committee are hereby approved and adopted by the Board of County Commissioners of St. Johns County Florida.

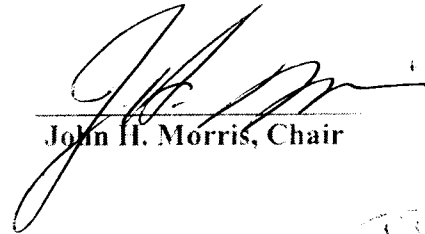
Section 3. The County Administrator or designee is hereby authorized to execute the amendment on behalf of the County, and said changes shall be adopted and effective as of January 1, 2013 until December 31, 2017.

Section 4. To the extent that there are typographical and/or administrative errors that do not change the tone, tenor, or concept of this Resolution, then this Resolution may be revised without subsequent approval of the Board of County Commissioners.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County,
State of Florida, this 17 Day of ~~December~~ 2013.

BOARD OF COUNTY
COMMISSIONERS OF ST. JOHNS
COUNTY, FLORIDA

By:


John H. Morris, Chair

By: 
ATTEST: Cheryl Strickland, Clerk
Deputy Clerk



CONDITION DATE 12/19/13

AMENDMENT TO ADMINISTRATIVE SERVICES AGREEMENT

THIS AMENDMENT, entered into on _____, 2013 is by and between Blue Cross and Blue Shield of Florida, Inc. d/b/a Florida Blue (hereinafter called "Florida Blue") and St. Johns County Board of County Commissioners (hereinafter called the "Employer"). In consideration of the mutual and reciprocal promises herein contained, the Administrative Services Agreement between Florida Blue and the Employer (hereinafter "Agreement") effective October 1, 1992 is amended as follows:

1. Section I, subsection 1.1, is hereby amended to extend the term of the Agreement until December 31, 2017 unless the Agreement is terminated earlier in accordance with the terms of the Agreement.
2. Exhibit B to the Agreement is hereby amended, effective January 1, 2014. The revised Exhibit B is attached to this Amendment and replaces the Exhibit B previously attached to the Agreement.
3. Except as otherwise specifically noted in this Amendment, all other terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, this Amendment has been executed by the duly authorized representatives of the parties.

BLUE CROSS AND BLUE SHIELD
OF FLORIDA, INC. D/B/A FLORIDA
BLUE

ST. JOHNS COUNTY BOARD OF
COUNTY COMMISSIONERS

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT "B"

to the

ADMINISTRATIVE SERVICES AGREEMENT

between

BLUE CROSS AND BLUE SHIELD OF FLORIDA, INC. D/B/A FLORIDA BLUE

and

ST. JOHNS COUNTY BOARD OF COUNTY COMMISSIONERS

FINANCIAL ARRANGEMENTS
Banking Arrangement

I. Effective Date.

The effective date of this Exhibit is January 1, 2014.

II. Bank Account.

The Employer agrees to establish a bank account prior to the effective date of this Agreement, in its own name, at the bank designated by Florida Blue. The Employer authorizes Florida Blue to write checks on the bank account in order to pay claims pursuant to this Agreement. The Employer agrees to maintain the bank account and the reserve amount as set forth below. The Employer shall be responsible for the reconciliation of its bank account, based on information and reports provided by Florida Blue and the bank.

III. Special Banking Information.

- A. Name of Employer (as it is to appear on the checks) - no more than 25 characters:

S T J O H N S C O U N T Y B O C C

- B. Employer Bank Account Reference Number - 5 characters:

1 0 0 2 1

- C. Reserve Requirement: \$150,000.

D. Funding Frequency: Weekly

E. Method of Funding: ACH

IV. Administrative Fees:

A. Administrative fees during the term of the Agreement:

\$46.50 per contract per month from January 1, 2014 through December 31, 2017.

B. Administrative fees after the termination of the Agreement: 15% of claims paid.

C. Florida Blue will pay the following annual wellness contributions to Employer to be utilized for wellness related initiatives or activities. The amounts will be predicated upon the Employer maintaining the Agreement with Florida Blue through December 31, 2017. If the Employer terminates without cause prior to January 1, 2018, Employer will pay Florida Blue an early termination fee of \$50,000.

1. Florida Blue will pay Employer a \$ 50,000 wellness contribution in 2014, 2015, 2016 and 2017 if Employer is still enrolled with Florida Blue

V. Late Payment Penalty

A. A daily charge of .00038 times the amount of overdue administrative fees.

VI. Expected Enrollment

A. The administrative fees and reserve requirement referenced above are based on an expected enrollment of a total of 2,076 employees.

B. If the actual enrollment is materially different from this expected enrollment, Florida Blue reserves the right to adjust the administrative fees and the reserve requirement as set forth in the Agreement. Actual administrative fees will be charged based on actual enrollment.

SJCSD

Dental Market Analysis

	Current FCL	Renewal FCL	Option 1 Delta Dental ¹	Option 2 Humana ²
In Network Deductible:				
Individual	Dental Plan 1 \$ 25.00	Dental Plan 1 \$ 25.00	Delta Dental PPO - Core \$ 25.00	\$ 25.00
Family	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Out of Network Deductible:				
Individual	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
Family	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
In Network:				
Preventive	100%	100%	100%	100%
Basic	70% after deductible	70% after deductible	70-80% after deductible	70-80% after deductible
Major	50% after deductible	50% after deductible	50% after deductible	50% after deductible
Out of Network:				
Preventive	100%	100%	100%	100%
Basic	80%	80%	70-80%	70-80%
Major	50%	50%	50%	50%
Orthodontia	50%	50%	50%	50%
Annual Maximum Benefit	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Orthodontic Annual Maximum Benefit	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
ASC Fee				
	PEPM \$ 4.90	\$ 4.50	\$ 4.24	\$ 4.05
Total Annual Premium	\$ 239,374.80	\$ 219,834.00	\$ 207,132.48	\$ 197,850.60
% Increase from Current	n/a	-8.16%	-13.47%	-17.35%
Rate Guarantee	n/a	2 years	3 years	4 years
Minimum Participation		Current		3400, 2.8 Mem to Sub
A.M. Best Rating	A	A	A-	A-
R&C Percentile Typically Used	80%	80%	80%	80%
Dental Network			PPO & Premier	

¹Delta Dental includes 12 months of run-out claims in ASC fee

²Dental 1 only shown on grid, Dental 2 would be mirrored to current benefits also; fee is same regardless of plan enrollment

³Humana will put \$5,000 at risk to contract the top 25 providers from the disruption report. Humana will assign a recruitment project manager to implement the plan, administer specific provider recruitment requests and provide consultation for the client regarding future network expansion needs.

DTQ

Assurant

Principal

CIGNA

Aetna