

**AGENDA ITEM 21**

Discuss and consider allocation of \$3.2 million payment from TTA for SH-45 mitigation property.

No action was taken on this agenda item, which was postponed until further notice.

**AGENDA ITEM 22**

Discuss and take appropriate action concerning renewal contract for third party administrator services as of November 11, 2002.

Moved: **Commissioner Boatright**

Seconded: **Commissioner Hays**

Motion: To approve renewal of the contract with Benefit Planners, Inc. for third party administrator services as of November 11, 2002.

Vote: **5 - 0**

< Attachment >

The information on this summary sheet is not intended to reflect all departmental expenses because it does not include budgeted expenses for prescription claims, dental claims, office administration or increased participation during the FY.

**PROPOSED CONTRACT RE-AWARDS****October, 2002****%age  
Increase\*****November 1, 2002 - Third Party Administrator Contract with Benefit Planners, Inc.**

Reinsurance Contract with Reliastar - \$75,000 Specific Stop Loss  
24/12 Contract

Total Administration - Claims, Pre-Cert, PPO Access/Repricing	\$211,337.60	-3.42%
Total Reinsurance	\$418,254.48	0.75%

Total Fixed Costs Based on 774 Participants	\$629,592.08	-0.69%
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Expected Annual Claims - 100% of expected medical claims**	\$3,537,892.08
Expected Reserves - 25% of expected medical claims	\$884,473.02

Claims Fund / Aggregate Attachment Point Based on 774 Participants - 125%	\$4,422,365.10	-0.69%
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Group Life Insurance -Reliastar Life Insurance-\$1.90/emp (1,053); \$0.75/dep (783) (16% increase in employee & employee/dependent participation)	\$31,055.40	15.68%
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Total Annual Cost for TPA Services Based on 774 Participants	\$5,083,012.58	-0.60%
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**November 1, 2002 - Contract with Insurors of Texas**

Insuror's of Texas Fees Associated w/ Third Party Administrator Contract	\$12,000.00	20.00%
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**November 1, 2002 - Contract with COBRA Compliance Systems**

COBRA / HIPAA Compliance - COBRA Compliance Systems	\$6,000	0.00%
\$4,785 Annual Costs		
\$200 Premium Collection Fee & retain 2% admin fee		
\$30/COBRA participant initial setup fee		
Includes Hold Harmless Agreement		

**November 1, 2002 - EAP Contract with Professional Assistance of Central Texas**

Employee Assistance Program (EAP) - Professional Assistance of Central Texas (12% increase in eligible employees)	\$33,955.20	12.09%
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<b>Total Annual Costs</b>	<b>\$5,134,967.78</b>	<b>-0.49%</b>
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\* %age increase is based on actual rate increase at the assumed participant level. It does not account for increases in the number of employees during the previous year or increases anticipated during the current year. Therefore, the percentage increase will not tie to the actual dollar budgeted increase between amounts budgeted for previous year and amounts budgeted for current year.

\*\* Reinsurance covers medical claims exposure only. Prescription and Dental Claims are not included in this amount.

Approved 10-15-02  
John C. Daeyfler

**AGENDA ITEM 23**

Discuss and take appropriate action concerning renewing contract for broker/consultant services in association with third party administrator services as of November 11, 2002.

Moved: **Commissioner Boatright**

Seconded: **Commissioner Hays**

Motion: To approve renewal of the contract with Insurers of Texas for broker/consultant services in association with third party administrator services as of November 11, 2002.

Vote: **5 - 0**

< Attachment >

The information on this summary sheet is not intended to reflect all departmental expenses because it does not include budgeted expenses for prescription claims, dental claims, office administration or increased participation during the FY.

**PROPOSED CONTRACT RE-AWARDS**  
**October, 2002**

**%age**  
**Increase\***

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Group Life Insurance -Reliastar Life Insurance-\$1.90/emp (1,053); \$0.75/dep (783) (16% increase in employee & employee/dependent participation)	<u>\$31,055.40</u>	15.68%
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Total Annual Cost for TPA Services Based on 774 Participants	<u>\$5,083,012.58</u>	-0.60%
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**November 1, 2002 - Contract with Insurers of Texas**

Insuror's of Texas Fees Associated w/ Third Party Administrator Contract	\$12,000.00	20.00%
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**November 1, 2002 - Contract with COBRA Compliance Systems**

COBRA / HIPAA Compliance - COBRA Compliance Systems	\$6,000	0.00%
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\*\* Reinsurance covers medical claims exposure only. Prescription and Dental Claims are not included in this amount.

*approved 10-15-02*  
*John A. Daerfler*