



COMMISSIONERS COURT CONTRACT FORM

CONTRACT SUMMARY

Approve and authorize the County Judge to sign the Sixth Amendment to Master Service Agreement between El Paso County and Aetna Life Insurance Company for Third Party Administration Services for the County's Health and Dental Plan and related services for plan year 2024. Funds are available in account: IS-HEALTH-HEALTH/DENTAL CLAIMS. (Contract No. 2023-0873).

ADDITIONAL BACKGROUND:

In 2018, the County of El Paso awarded a Request for Proposal (RFP) 18-030 to Aetna Life Insurance Company to serve as the County's Third Party Administrator (TPA) for the County's Health and Dental Plan and related benefits. Based on the RFP, the County with the assistance of our Health Consultants and Aetna Life Insurance Company developed a 1st and 2nd Amendment to the existing Master Service Agreement. The Master Service Agreement sets forth the terms and conditions under which Aetna agrees to render Services and under which the County agrees to receive and compensate Aetna Life Insurance Company for such services.

The services include: TPA claims administration for medical and dental plans, Managed Medical and Dental Provider Network, Pharmacy Benefit Management programs, Stop Loss Reinsurance, COBRA/HIPAA administration, Disease Management programs, Wellness programs and initiatives, Employee Assistance Programs, Retiree Medical Insurance, Medicare Advantage Plan, Third Party Administrator eligibility services, and IRS Section 125 Pre Tax Plan Administration.

The term of the contract is for a 3-year period with a renewal option of three additional 1-year periods. This Amendment represents the third of three renewal options with a term beginning on January 1, 2024 and ending on December 31, 2024.

The Amendment maintains the existing terms which will result in 3% medical and 2.83% dental fee increase to the County. The County's Risk Pool Board has recommended approval of the Sixth Amendment to the Aetna Master Service Agreement during their regular board meeting on November 15, 2023.

The County Attorney's Office has conducted a legal review of the Sixth Amendment to the Master Service Agreement with Aetna Life Insurance Company. (2023-0873)

FISCAL IMPACT:

3% increase in Medical and 2.83% increase in Dental Administrative Costs associated with the Master Service Agreement are funded through the Risk Pool Fund and results in a \$49.26 Per Employee Per Month (PEPM) or estimated \$43,517 annual increase in fees for Health Services, and \$2.54 PEPM or estimated \$1,577 annual increase in fees for Dental Services. A

detailed description of the fees are contained within the Master Service Agreement and exhibit documents.

Plan year 2019 Total Medical and Dental: \$1,316,630

Plan year 2020 Total Medical and Dental: \$1,392,697

Plan year 2021 Total Medical and Dental: \$1,426,110

Plan year 2022 Total Medical and Dental: \$1,443,895

Plan year 2023 Total Medical and Dental: \$1,485,885

Plan year 2024 Estimated Total Medical and Dental: \$1,556,321

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PRIOR COURT ACTION:

December 3, 2018, Item #18, Commissioners Court awarded RFP#18-030 to Aetna Life Insurance Company to serve as the Third Party Administrator for Health and Dental Benefits for the County of El Paso.

October 7, 2019, Item #13, Commissioners Court approved the 1st and 2nd amendment to the Master Service Agreement with Aetna Life Insurance Company to serve as the Third Party Administrator for Health and Dental Benefits for the County of El Paso.

September 20, 2021, Item #4J, Commissioners Court approved the 3rd amendment to the Master Service Agreement with Aetna Life Insurance Company to serve as the Third Party Administrator for Health and Dental Benefits for the County of El Paso.

December 12, 2022, Item #18, Commissioners Court approved the second renewal option to the Master Service Agreement with Aetna Life Insurance Company to serve as the Third Party Administrator for Health and Dental Benefits for the County of El Paso.

RECOMMENDATION:

Approve and authorize the County Judge to sign the Sixth Amendment to Master Service Agreement between El Paso County and Aetna Life Insurance Company for Third Party Administration Services for the County's Health and Dental Plan and related services for plan year 2024. Funds are available in account: IS-HEALTH-HEALTH/DENTAL CLAIMS. (Contract No. 2023-0873).

BASIC CONTRACT DETAILS

CONTRACT NO.: 2023-0873

CONTRACT TITLE: Health Benefits Plan Program Services / Third Party Administration(TPA) Services / Health & Dental Plan / MSA-866233 / Amendment 6 / Renewal Yr 2024

SECOND PARTY: Aetna Life Insurance Company

CONTRACT TYPE: Contract Modification

TERM AND BUDGET DETAILS

TERM:

EXTENSION OPTIONS:

EFFECTIVE DATE:

MOD EFFECTIVE DATE (If Applicable): 01/01/2024

EXPIRATION DATE:

MOD EXPIRATION DATE (If Applicable): 12/31/2024

EXTENSION DEADLINE DATE (If Applicable):

AMOUNT:

MOD AMOUNT (If Applicable): 0.00

APPROVALS

COUNTY ATTORNEY APPROVAL

The attached document has been given legal review by the El Paso County Attorney's Office on behalf of the County of El Paso, its officers, and employees. Said legal review should not be relied upon by any person or entity other than the County of El Paso, its officers, and employees.

COUNTY ATTORNEY: Eric Bauer

LEGAL REVIEW: Approved as to Form with Addendum/Modifications/Reservations Noted Below

LEGAL REVIEW NOTES (If Applicable): Approved revised agreement uploaded on 10.20.23.

DATE: 10/20/2023

DIRECTOR/DEPARTMENT HEAD APPROVAL

The undersigned hereby certifies that he/she has read the contract, understands and approves the contract terms and conditions and further certifies that the contract conforms to the bid specification, if any, and acknowledges that he/she is responsible for administering all terms and conditions.

DIRECTOR/DEPARTMENT HEAD/DESIGNEE: Sam Trujillo

DEPARTMENT CONTACT: Verenice Acosta

DEPARTMENT: Human Resources

DATE: 10/23/2023

