HUMAN RESOURCES DEPARTMENT 600 W. 4<sup>TH</sup> Street Davenport, IA 52801

Office: (563) 326-8767 Fax: (563) 328-3285 www.scottcountyiowa.com



Date: July 10, 2013

To: Board of Supervisors

From: Mary J. Thee, Human Resources Director/Asst. County Administrator

Subject: Health Care Consultant - Holmes Murphy

The County hired Holmes Murphy as its Health Care Consultant in 2009 to assist with working with an employee committee to review plan design, issuance of an RFP for insurance, evaluation of self insured v. fully insured and implementation of any changes to the current insurance coverage. The original contract was for one year at the cost of \$20,000. We then did an extension for 3 years with a reduced fee of \$18,000 annually. Their services and expertise have been beneficial in the past as it relates to working with the employee committee, the transition to become self funded, reviewing plan design, implementation of the Healthy Lifestyles program, and interpreting and implementing the Affordable Care Act. We would like to continue the contract for another 3 years at the same rate. We feel that it is beneficial as we work to fully implement changes related to the ACA and strengthen our wellness programs. Holmes Murphy has also been essential in working with United Health Care to develop a program to reduce health care costs with jail inmates. The projected cost savings from the past are found on the attached Letter of Agreement.

Cc: Dee F. Bruemmer, County Administrator

# Scott County, IOWA

## Letter of Agreement

Holmes Murphy has assisted Scott County with its strategies to save tax payers substantial dollars since 2010 while also providing its employees a steady medical plan design with negative trend. Following are a few highlights:

- Savings of \$3.7 million in premium since 2010
- Reserve fund of more than \$1.9 million
- Negative Trend (1%) 2009: \$4,817,000 vs. 2012: \$4,759,000
- Successful introduction of wellness strategy
- Ongoing guidance of compliance with ACA

I ask you to extend my contract for the next three (3) years from August 1, 2013 through July 31, 2016 with the following unchanged terms:

• Annual Fee of \$18,000 to be paid in monthly installments.

I look forward to continue to assist Scott County in managing its benefit costs with continued guidance with ACA, investigation of innovative "medical home" initiatives, and the ongoing reduction of risk factors through effective wellness initiatives.

Thank you for your consideration.

Sincerely,

Jeffrey A. Scarpinato, Vice President Holmes Murphy Quad City Office

Accepted by:

Scott County Official Printed Name

Scott County Official Signature

Date:\_\_\_\_\_

Holmes Murphy Official Printed Name

Holmes Murphy Official Signature

Date:\_\_\_\_\_

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES THAT THIS RESOLUTION HAS BEEN FORMALLY APPROVED BY THE BOARD OF SUPERVISORS ON

DATE

SCOTT COUNTY AUDITOR

### RESOLUTION

#### SCOTT COUNTY BOARD OF SUPERVISORS

#### July 18, 2013

#### APPROVING AGREEMENT WITH HOLMES MURHPY AND ASSOCIATES FOR EMPLOYEE HEALTH BENEFIT CONSULTING SERVICES

BE IT RESOLVED BY the Scott County Board of Supervisors as follows:

Section 1. That the proposal from Holmes Murphy and Associates in the amount of \$18,000 per year for 3 years for consulting services related to working with an employee committee to review health insurance and wellness, and

implementation of the Affordable Care Act.

Section 2. That the Human Resources Director is hereby authorized to sign said three year agreement on behalf of the Board.

Section 3. This resolution shall take effect immediately.