

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
AND RECORD OF ACTION**

June 22, 2021

FROM

DIANE RUNDLES, Director, Human Resources Department

SUBJECT

Health and Welfare Consulting and Actuarial Services Contract Extensions

RECOMMENDATION(S)

1. Approve **Amendment No. 1 to Contract No. 18-359** with The Segal Company (Western States) Inc. for health and welfare consulting and actuarial services extending the contract for one additional two-year term, for a total contract period of July 1, 2018 through June 30, 2023.
2. Approve **Amendment No. 1 to Contract No. 18-357** with Mercer Health and Benefits for health and welfare consulting and actuarial services extending the contract for one additional two-year term, for a total contract period of July 1, 2018 through June 30, 2023.
3. Approve **Amendment No. 1 to Contract No. 18-358** with Rael & Letson Consultants and Actuaries for health and welfare consulting and actuarial services extending the contract for one additional two-year term, for a total contract period of July 1, 2018 through June 30, 2023.
4. Approve **Amendment No. 1 to Contract No. 18-356** with Keenan and Associates for health and welfare consulting and actuarial services extending the contract for one additional two-year term, for a total contract period of July 1, 2018 through June 30, 2023.

(Presenter: Diane Rundles, Director, 387-5570)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of additional Discretionary General Funding (Net County Cost). Consulting fees are included in the premium rates for the medical, dental, vision, and voluntary life and Accidental Death & Dismemberment (AD&D) plans. The total annual cost for all health and welfare consulting services shall not exceed \$300,000. Sufficient appropriation has been included in the Human Resources 2021-22 budget and will be included in subsequent recommended budgets.

BACKGROUND INFORMATION

The County of San Bernardino (County) requires ongoing benefits consulting and actuarial services in order to meet its fiduciary responsibility to plan participants and to ensure compliance with administration of numerous employee health and welfare benefit plans. On June 12, 2018, (Item No. 47), the Board of Supervisors (Board) approved contracts with Keenan and Associates, Mercer Health and Benefits, LLC, Rael and Letson Consultants and Actuaries,

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and The Segal Company (Western States) Inc. for health and welfare consulting and actuarial services from July 1, 2018 to June 30, 2021, with options to extend the contracts.

Recommendations No. 1 and No. 2 will update the contract language and approve the two-year extension provision of the contracts with The Segal Company (Western States) Inc. (Segal), and Mercer Health and Benefits, LLC (Mercer).

Recommendations No. 3 and No. 4 will update the contract language and correct an administrative oversight that occurred on the original contracts in 2018 with Rael & Letson Consultants and Actuaries (Rael & Letson), and Keenan and Associates (Keenan) regarding the "Term of Contract" section. All four health and welfare consultant contracts were originally intended to have an extension option for "one additional two-year period." The contracts for Rael & Letson and Keenan inaccurately stated an extension option for "two additional one-year periods." The contract amendments will update the language extending the contracts for two years through June 30, 2023, so that all four contracts will be uniform.

PROCUREMENT

On January 16, 2018, the Employee Benefits and Services Division (EBSD) issued a Request for Proposals (RFP HRD218-HR2-2769) for health and welfare consulting and actuarial services. On June 12, 2018, (Item No.47), the Board of Supervisors approved contracts with Keenan and Associates, Mercer Health and Benefits, LLC, Rael and Letson Consultants and Actuaries, and The Segal Company (Western States) Inc. for health and welfare consulting and actuarial services.

As recommended by the Employee Benefits Advisory Committee (EBAC) on February 11, 2021, this item is requesting the one two-year extension of the Keenan, Mercer, Rael and Letson, and Segal contracts to June 30, 2023.

Human Resources will continue to select a consulting firm for projects and services based on the cost and expertise and experience required to best meet the needs of the County. Retainers will not be paid and no minimum amount of work is guaranteed. Each consulting firm will be paid based on an hourly rate for the services requested and provided.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Suzanne Bryant, Deputy County Counsel, 387-5455) on May 18, 2021; Purchasing (Bruce Cole, Supervising Buyer, 387-2148) on May 26, 2021; Finance (Jessica Trillo, Administrative Analyst, 387-4222) on June 1, 2021; County Finance and Administration (Robert Saldana, Deputy Executive Officer, 387-5423) on June 7, 2021.

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Record of Action of the Board of Supervisors
County of San Bernardino

APPROVED (CONSENT CALENDAR)

Moved: Joe Baca, Jr. Seconded: Dawn Rowe

Ayes: Col. Paul Cook (Ret.), Janice Rutherford, Dawn Rowe, Curt Hagman, Joe Baca, Jr.

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: June 22, 2021



cc: HR- Coughlin w/agree
Contractor- C/O HR w/agree
File- w/agree
LA 06/24/2021