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AGENDA REPORT

TO: DEANNA J. SANTANA
CITY ADMINISTRATOR

FROM: Andrea R. Gourdine

SUBJECT: Two-Year Agreement for Citywide
Employee Assistance Program Services

DATE: June 4, 2012

City Administrator
Approval

Deanna Santana

Date:

6/12/12

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Staff recommends that the City Council adopt a Resolution authorizing the City Administrator to execute an agreement with Claremont Behavioral Services, Inc. ("Claremont") for Employee Assistance Program and Related Services for all non-sworn City employees and the sworn employees of the Oakland Fire Department and their respective dependents in an amount not to exceed \$291,644 (\$142,997 in Contract Year 2012-2013 and \$148,647 in Contract Year 2013-2014), with an option to extend the agreement for non-sworn employees for six additional years in two year increments in an amount not to exceed \$123,393 in year 2014-15 adjusted by a 4% increase each year thereafter through 2020, and an option to extend the agreement for Fire Sworn employees for one additional year with no increase in the contract amount, and waiving the Local and Small Local Business Enterprise (L/SLBE) participation requirements.

Under this agreement, Claremont will provide EAP services to all non-sworn employees, sworn employees of the Oakland Fire Department, and their respective dependents. The Scope of Services is therefore presented in two parts, each with a specific catalog of services appropriate for non-sworn and sworn personnel, and with separate pricing structures.

This agreement would be for an initial two-year period, with the option to extend the non-sworn services portion of the contract for three additional two-year periods should Claremont demonstrate acceptable performance in the delivery of the employee assistance program services. If the option to extend the non-sworn services is exercised, the lifetime cost of the contract will not exceed \$1,050,108. The option to extend the Fire Sworn services portion of the contract will be limited to one additional one-year period, should Claremont demonstrate acceptable performance. The lifetime cost of the Fire Sworn contract will not exceed \$90,000.

OUTCOME

Approval of the recommendation will provide EAP services to the City's non-sworn employees and their dependents for the period July 1, 2012 through June 30, 2014 with the option for six years of extension in two-year increments to June 30, 2020, and to the sworn employees of the Oakland Fire Department for the period July 1, 2012 through June 30, 2014, with the option for one additional one-year extension to June 30, 2015, and will waive the L/SLBE participation requirements.

EXECUTIVE SUMMARY

Staff facilitated a request for proposal (RFP) process for the City's EAP services for all non-sworn employees. This involved convening a group of stakeholders to identify issues and objectives and to set selection criteria.

The Oakland Fire Department (OFD) requested that its existing agreement be merged with the proposed miscellaneous employee contract effective July 1, 2012. OFD negotiated its contract terms separately, and its fee structure is performance-based. Pricing for the Fire Sworn scope is substantially different from the pricing for the scope for non-sworn employees due to MOU-negotiated requirements and the risk exposure type for sworn personnel. Merging the OFD contract with the contract for non-sworn employees benefits the City by eliminating staff time and costs that the Fire Department would have incurred by issuing an RFP when their existing contract expires in Fall 2012.

Staff is recommending that the City Council authorize the City Administrator to execute an agreement with Claremont Behavioral Services, Inc. to provide EAP benefits to the City's non-sworn employees, sworn employees of the Oakland Fire Department, and their respective dependents, and approve waiver of the L/SLBE participation requirements.

BACKGROUND/LEGISLATIVE HISTORY

Historically, the City provided EAP services to non-sworn City employees through a combination of in-house professional staff and a provider panel comprised of RFP-selected contractors. In January 2012, the in-house EAP Coordinator retired, leaving the City without an internal coordinator trained in the necessary skill-set to effectively manage and monitor internal and external EAP services. In reviewing the level of service delivery provided via the City's traditional internal program and costs associated with the same model, it was determined that converting the program to an external EAP model would be more cost-effective while delivering high quality, confidential EAP services. An external EAP model is also consistent with the method of service delivery utilized by most Public Agency employers of comparable size and organization to the City of Oakland. As such, it was determined that an external EAP service would best serve the City's employee population while enhancing the level and quality of service to the same.

The EAP is a City-paid benefit that provides confidential services to all City employees and their dependents, including:

- Personal Issues (such as substance abuse, stress, job pressures, and marital conflicts)
- Work-Life Referrals and Resources (such as finding child or elder care, planning for college, or home repair)
- Legal Information, Resources and Consultation (family law, debt obligations, bankruptcy, contracts, criminal actions or civil lawsuits)
- Financial Information and Tools (retirement planning, credit problems, tax questions, and estate planning)
- Multiple other work-life assistance services

ANALYSIS

Targeted Outreach

In identifying an EAP provider for the City's non-sworn employees, the Risk and Benefits Division utilized the consulting services of the City's primary insurance broker, Alliant Insurance Services ("Alliant").

Alliant conducted a targeted marketing to nine known EAP providers, receiving five responses. Each vendor was asked to provide a comprehensive EAP proposal, accommodate MOU language requirements for substance abuse benefits, and provide the best pricing available for the City. Based on competitive pricing, ability to provide comprehensive and confidential services, EAP network size and customer service capabilities, three finalists were selected: Claremont Behavioral Services, Inc., The Holman Group, and Managed Health Network, Inc. (MHN).

Evaluation Criteria

Alliant assisted the City in conducting vendor interviews with the selected finalists. Representatives from the Public Works Agency, the Oakland Public Library, Human Services, and Office of Parks and Recreation participated in the interviews. Vendors were asked to cover the following topics in the interview process:

- Company Overview
 - o Years operating, EAP philosophy, public sector experience, in-house services vs. outsourced services
- Employee Services
 - o Legal & financial services, child & elder care services, work life services, customized website
- Employer Services
 - o Management consultations, threat assessment, brown bag training seminars, critical incident stress debriefings

- Network overview
 - Providers by credentialing type, credentialing process, referral process, number of providers by area
- Intake & Referral Process
 - Detailed description of member experience, coordination with employee's medical plan, follow-up process after referral is made
- Employee communications & orientation
- Account management & service

The Holman Group's proposal was found to be responsive and their service model appears comparable to the other respondents. However, their pricing was the highest of the three vendors. Further, during the vendor interview process, the panelists were informed of additional charges that would be incurred should the City elect to use certain elements of their service offerings. These additional charges were not previously disclosed. This discrepancy, coupled with the proximity of their service center (Northridge, CA) as compared to the location of the recommended vendor (Alameda, CA), made Holman less attractive to the interview panel.

Managed Health Network (MHN), a subsidiary of Health Net, Inc, is a large, national EAP provider with a broad range of resources. MHN's proposal was considered responsive and their service model comparable to the other respondents. MHN has been under contract with the City for the past several years, providing EAP services to sworn employees of the Oakland Police Department and their dependents. MHN's pricing was initially the lowest of the three vendors. However, due to the size of their network and staffing resource, the interview panel was concerned that the City of Oakland's program and the employees serviced by the program would not receive the personal attention and customized service that could be provided by a smaller, more local service provider. The panel was concerned that MHN could not provide the personalized level of management resources needed by City departments. This concern was reinforced when checking references for MHN. For one client of approximately 800 participants, it was reported that MHN changed the frequency of issuing the client's utilization report from monthly to quarterly. When an inquiry was made to MHN, it was explained that the change was inadvertent and caused by staffing changes on the client's account, of which the client had not been previously informed.

At the time of presentation, Claremont's pricing was slightly higher than MHN's, and their proposal closely matched the City's required services specified in the RFP. Claremont currently provides EAP benefits to the Oakland Fire Department. Claremont's proposal was stronger in the areas of local service, clinical commitment to excellence, local access to Claremont management consultations, their local client list and their commitment and understanding of public agencies in Alameda County.

Claremont was the only finalist to demonstrate local clients, expertise and service. Claremont's experience and understanding of the Oakland's demographics, and their ability to customize to participants' specific needs and service expectations was a strong point of their proposal.

In order to confirm service levels and client experience, reference phone calls were made to several Claremont clients. These phone calls confirmed that current clients are very satisfied with their Claremont EAP. The non-sworn employees Scope of Services and cost terms are appended to this report as *Attachment A*. The sworn Fire Department employees Scope of Service and cost terms are appended as *Attachment B*. A Vendor Qualification Matrix summarizing the responses to the evaluation criteria is appended as *Attachment C*.

Contract Extension Criteria

Beginning with FY 2014-15, Claremont will be eligible for up to six years of extension, in two-year increments, of the services agreement for non-sworn employees. In order to be eligible for these extensions, Claremont will be required to demonstrate acceptable performance in the delivery of services. Acceptable performance shall be based on monthly Utilization Reports and Clinical Case Outcomes reports showing stable usage. In addition, Claremont shall utilize a reliable data collection process that delivers valid, measurable monthly satisfaction results. A client satisfaction rating of at least 85 percent must be achieved in order to be deemed acceptable.

In FY 2014-15, Claremont will be eligible for one additional one-year extension of the services agreement for Fire Sworn employees. Eligibility for this extension shall be based on Claremont's demonstration of stable usage based on quarterly Utilization Reports and Clinical Case Outcomes reports, and achieving client satisfaction ratings of at least 85 percent.

Waiver of the Local and Small Local Business Enterprise Program Requirement

Staff requests authorization to waive the L/SLBE participation requirement. The Contracting and Purchasing Division has verified that the City does not have at least three firms in its database of certified contractors that provide the types of services required for this contract.

PUBLIC OUTREACH / INTEREST

This item did not require any additional public outreach.

COORDINATION

This Informational Report has been reviewed by the City Attorney's Office and the Budget Office.

FISCAL / POLICY ALIGNMENT

The administration of the Employee Assistance Program supports the City Council's goal to develop a sustainable city through the development and implementation of sound financial management policies and procedures.

COST SUMMARY / IMPLICATIONS

The proposed contract with Claremont Behavioral Services, Inc. would provide EAP services for non-sworn City employees and sworn employees of the Oakland Fire Department for Contract Year 2012-13 in an amount not to exceed \$142,997 and for Contract Year 2013-14 in an amount not to exceed \$148,647. Therefore, the two-year contract amount for Contract Years 2012-14 would not exceed \$291,644. The apportioned costs are as follows:

	Year 1 (2012-13)	Year 2 (2013-14)
Non-Sworn	\$ 112,997	\$ 118,647
Sworn Fire Department	\$ 30,000	\$ 30,000
TOTALS	\$ 142,997	\$ 148,647

This will be a capitated contract in which the City pays a contracted rate per eligible employee, referred to as a "per-employee-per-month" (PEPM) rate for the services provided. Capitated fees will be billed monthly based on a headcount provided by the City monthly. As such, there may be fluctuations in the cost each month.

The program base fee cost for non-sworn employees for Fiscal Year 2012-13 is \$1.83 PEPM. In Fiscal Year 2013-14 the base fee will be adjusted upward by 5 percent to \$1.92 PEPM. Subsequent extensions of this contract for three additional two-year terms, upon satisfactory performance, would be in amounts not to exceed a 4 percent PEPM fee adjustment over the prior year's contract amount.

The program base fee cost for the sworn employees of the Oakland Fire Department for Fiscal Years 2012-14 is \$2.15 PEPM, plus \$90 per Clinical Visit, capped at \$30,000 per year.

Because the Fire Department MOU containing the negotiated EAP benefits will expire in the Fall of 2014, this portion of the contract will be eligible for extension for only one additional one-year extension.

The following table shows the non-sworn and sworn Fire Department PEPMs over the lifetime of the contract:

CONTRACT TERM	NON-SWORN FEE	SWORN OFD FEE
FY 2012-13	\$1.83	\$2.15 + \$90/Clinical Visit
FY 2013-14	\$1.92	\$2.15 + \$90/Clinical Visit
FY 2014-15	\$2.00	\$2.15 + \$90/Clinical Visit
FY 2015-16	\$2.08	N/A
FY 2016-17	\$2.16	N/A
FY 2017-18	\$2.25	N/A
FY 2018-19	\$2.34	N/A
FY 2019-20	\$2.43	N/A

Additional as-needed services are available for both non-sworn and sworn OFD employees, including clinical visits, mediation/onsite conflict resolution, and risk assessments for violence cases.¹ The prices for these as-needed services are reflected in *Attachments A and B*. The projected costs for as-needed EAP services are included in the lifetime contract cost calculations at 20 percent of the base fee costs for the fiscal year.

The following table shows estimated EAP costs for non-sworn employees over the lifetime of the contract, assuming extension of the contract upon satisfactory performance:

NON-SWORN LIFETIME CONTRACT COSTS

	Year 1 (2012-13)	Year 2 (2013-14)	Year 3 (2014-15)	Year 4 (2015-16)	Year 5 (2016-17)	Year 6 (2017-18)	Year 7 (2018-19)	Year 8 (2019-20)
Per Employee Per Month	\$1.83	\$1.92	\$2.00	\$2.08	\$2.16	\$2.25	\$2.34	\$2.43
Annualized	\$ 94,164	\$ 98,873	\$ 102,828	\$ 106,941	\$ 111,218	\$ 115,667	\$ 120,294	\$ 125,106
<i>PEPM Lifetime Cost:</i>								\$ 875,090
Optional Additional EAP Services <i>(estimated at 20% of PEPM expenses)</i>	\$ 18,833	\$ 19,775	\$ 20,566	\$ 21,388	\$ 22,244	\$ 23,133	\$ 24,059	\$ 25,021
<i>Optional Services Lifetime Cost:</i>								\$ 175,018
TOTAL NON-SWORN	\$ 112,997	\$ 118,647	\$ 123,393	\$ 128,329	\$ 133,462	\$ 138,800	\$ 144,353	\$ 150,127
<i>Total Lifetime Cost:</i>								\$ 1,050,108

Beginning Fiscal Year 2014-15, if Clinical Utilization (the number of cases that are referred for in-person counseling services) is less than 5 percent during any contract year, there will be a rate pass (i.e., there will be no adjustment upward of the PEPM) for the following contract year. However, if Clinical Utilization is 8 percent or higher during any contract year, an additional \$265/case will be billed for all cases thereafter. These price adjustments apply only to services for non-sworn employees.

¹ Fire Sworn employees will have access to Substance Abuse Professionals and the associated Aftercare Support Program under the Scope of Services for non-sworn employees (*Attachment A*).

OFD negotiated the fees for their performance-based services separately, and the higher pricing reflects the MOU-negotiated requirements and the risk exposure type for swom personnel. The table below shows estimated EAP costs for swom OFD employees in Fiscal Years 2012-15:

SWORN OFD CONTRACT COSTS FOR FISCAL YEARS 2012-15

	Year 1 (2012-13)	Year 2 (2013-14)	Year 3 (2014-15)
Per Employee Per Month	\$ 2.15	\$ 2.15	\$ 2.15
Annualized	\$ 12,539	\$ 12,539	\$ 12,539
PEPM Lifetime Cost:			\$ 37,616
Optional Additional EAP Services <i>(estimated; includes Clinical Visits at \$90/each)</i>	\$ 17,461	\$ 17,461	\$ 17,461
Optional Services Lifetime Cost:			\$ 52,384
TOTAL SWORN Fire Department	\$ 30,000	\$ 30,000	\$ 30,000
Total Lifetime Cost:			\$ 90,000

The total lifetime contract cost for swom Fire Department EAP services in Fiscal Years 2012-15 would not exceed \$90,000.

Funding for EAP services for non-swom employees is contained within the Fringe Benefits Fund (1300), Undetermined Organization (00000), Accrued Health/FICA/Medicare Account (21516), Undetermined Project (0000000), Undetermined Program (0000). No additional budgetary adjustment is necessary.

Funding for EAP services for swom employees of the Oakland Fire Department is contained within the General Purpose Fund (1010), Fire Human Resources Organization (20811), Miscellaneous Contract Services Account (54919) Undetermined Project (0000000) Personnel Resource Management Program (PS16). No additional budgetary adjustment is necessary.

The contract year for this contract runs from July 1 through June 30.

PAST PERFORMANCE, EVALUATION AND FOLLOW-UP

As discussed earlier, the City has not utilized external EAP services. Historically, these services have been provided internally via an in-house EAP coordinator and contracts with several service providers contracted under professional service agreements. The estimated annual budget for the internal EAP model is \$229,043, made up of \$79,043 (the FY 2011-12 payroll and fringe for .50 FTE) and a budget of \$150,000 for vendor-provided EAP services in Calendar Year 2011. Swom employees were not eligible for these services.

Under the proposed model for non-sworn employees, the first year annual costs will not exceed \$112,997 and will expand the network of service providers in the immediate Bay Area to 875 EAP providers from the 30 providers utilized by the in-house EAP program resulting in a program savings of approximately \$116,000. Additionally, the services extended to eligible employees will be vastly expanded, creating a much more service rich and valuable program for participating employees. Examples of added services include:

- Legal and Mediation Services (e.g., family/domestic law, traffic tickets, and estate planning)
- Financial & Tax Planning Services (e.g., credit counseling debt assistance, and tax issues)
- Work-Life Services (e.g., child care and parenting, elder care and disabled adult care, and school selection)

A full list of the added services for non-sworn employees can be found in *Attachment A*.

SUSTAINABLE OPPORTUNITIES

Economic: There are no economic opportunities associated with this report.

Environmental: There are no environmental opportunities associated with this report.

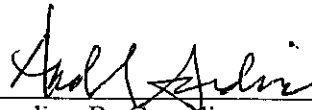
Social Equity: There are no social equity opportunities associated with this report.

CEQA

This report is not a project under CEQA.

For questions regarding this report, please contact DEBORAH GRANT, RISK MANAGER, at (510) 238-7165.

Respectfully submitted,



Andrea R. Gourdine
Director
Department of Human Resources Management

Prepared by:
Deborah Grant, Risk Manager
Risk and Benefits Division

Attachments (3)

- Attachment A – *Claremont Scope of Services and Cost Terms for Non-Sworn Employees*
- Attachment B – *Claremont Scope of Services and Cost Terms for Sworn Fire Department Employees*
- Attachment C – *Vendor Qualification Matrix*

Scope of Services Oakland Non-Sworn Employees

EAP Services for Employees and Family Members

Counseling

Three in-person counseling visits per incident* per rolling 6 month (6 months from date of intake) with a licensed clinician are provided. These visits can address personal issues such as: stress, marital & family problems, emotional problems, alcohol & drug dependency, relationships, work-related difficulties, psychiatric disorders, and more. Eligibility will be determined using an employee roster provided by the City and updated monthly.

24/7/365 Toll-Free Call Center

- 100% Masters-Level EAP Intake Counselors
- All calls answered “live” • No voicemail
- Multilingual • Language Line • TDD Line
- On-line access also available

Provider Network

- MPT, LCSW, PhD
- Geographically Convenient • Culturally Diverse • Multi-Lingual
- Discounted rates for additional visits

Legal & Mediation Services

- Free consultations provided (one consultation, up to 30 minutes per incident), referrals provided to attorneys or mediators.
- Legal matters include: as: family/domestic law, consumer/contract issues, personal injury, traffic tickets, DUI, estate planning, elder law, housing and real estate matters, bankruptcy and more (not covered: employment related matters)
- 25% discount off additional legal and mediation services
- Free Simple Will-Kits

Financial & Tax Planning Services

- Unlimited 30-60 minute Consultations, Referrals and Resources with seasoned financial counselors, CFP or licensed CPAs
- Financial matters include: credit counseling, debt and budgeting assistance, estate planning, tax planning, retirement and college planning; as well as various investment subjects and tax issues. Consultations are generally telephonic.
- Free Credit Reports and review.

Work-Life Services

Unlimited Consultations, Referrals and Resources with work-life and dependent care specialists

Child Care & Parenting includes consulting on and referrals to family day care homes, infant centers, pre-schools, before/after school programs, summer camps, sports programs, sick/emergency care, in-home options, and care for special needs children. Relocation assistance and resources for new parents also provided.

Elder Care & Disabled Adult Care include consulting on and referrals to care providers and/or support services for: elder care and disabled adult issues, hospitalization, nursing home/in-home care, assisted living facilities, meal/nutrition programs, Medicare/insurance, transportation, financial & legal services, emergency response services, and caregiver support. Relocation assistance also provided.

Pet Care includes consulting on and referrals to vets, animal hospitals, pet services, groomers/boarders, transportation services, pet insurance, and obedience classes. Educational materials including tip sheets and checklists also provided.

Adoption Assistance includes consulting on adoption options and the adoption process and referrals to public and private adoption agencies, adoption support organizations, single parent adoptions, adopting special needs children, stepparent adoptions, and international adoptions. Educational materials including tip sheets and resource listings.

School Selection includes consulting on public vs. private schools, advantages/disadvantages of each option, selecting an appropriate school, home schooling and referrals to elementary and secondary public/private schools, after school programs. Educational materials including school age tip sheets, checklists, and resource listings also included.

College Assistance includes consulting on private colleges vs. state universities, Masters / MBA programs, college process and referrals to state/private colleges and universities, test preparation courses, financial aid, educational consultants. Educational materials including College Guidebook and **SAT** information are also provided.

Convenience Referrals for daily living such as pet care, home repair, errand services, travel, entertainment and apartment locator services.

Wellness Referrals includes help with physician searches, medical support groups, fitness centers, diet & nutrition resources, alternative medicine and other resources.

Legal, Financial, and Work/Life services offer unlimited consultations, referrals and resources, per issue and DO NOT count against EAP counseling visits.

Self-Help Website

- Unlimited access to www.ClairemontEAP.com featuring a "Resource Guide" with helpful information on a variety of health and mental health topics, self-assessments, and a full menu of EAP services.

Enhanced Website

- This site is designed to help employees and their families with the essentials of daily life 24/7. Drawing from world-class contributors such as Harvard Medical School, Nolo Legal Press, and FinanCenter Claremont Personal Advantage aggregates more than 10,000 resources into an easy-to-use website.

Orientations & Materials

- Onsite/telephone meetings, DVD, on-line, and written materials to ensure employees understand how to access the EAP. *Unlimited employee orientations are provided with a minimum of 30 employees per session.*
- Employee orientation, including new employee orientation as scheduled by the City with 14 days' notice. The City will schedule the sessions and provide the location and contact information.

Newsletters & Promotional Materials

- Program promotional materials including brochures, posters, wallet cards and quarterly employee newsletters are provided.

EAP Services for Management & Labor

Dedicated Account Management, Program Implementation & Evaluation

- Claremont's Vice President, Account Services will be assigned to the City and will be assisted by two Senior Account Managers. This individual will work to understand the City's culture, challenges, and resources. She will assist in integrating the EAP into relevant management practices and policies, plan and schedule orientations, and coordinate the distribution of promotional materials.

Program Utilization Reports

- Monthly reports including utilization data, trainings, consultations, and general observations are provided electronically to management on a routine and real-time basis.
- Reports do not identify specific individuals accessing the program pursuant to required confidentiality laws.

Management/Labor Orientations

Telephone meetings, DVD, on-line and written EAP Orientation materials are available to ensure your Managers/Supervisors/Union representatives understand how to access the EAP and take advantage of its many benefits including its consultative aspect. *Unlimited Management/Labor Orientations are provided with a minimum of 15 attendees per session.*

Critical Incident Stress Debriefing (CISD)

- Onsite CISD services to respond to emergency situations (e.g., acts of violence, death of a co-worker, robbery, national crisis, natural disaster, etc.) are included at no charge for group and individual assistance for up to three (3) hours, in any one location, on any one day, per incident. *Additional hours will be billed at \$275/Hour.*

Threat Management Program

- Claremont's Threat Management Program provides both preventive services and services that respond immediately to situations of potential violence.
- We also assist you in establishing a Threat Management Team within your organization and provide telephone consultation for cases of potential violence. In-person risk assessments, security services and legal consultation are also available. *In-person risk assessments are available on a fee-for-service basis at \$325/hour.*

Problem Employee Consultations

- Managers, HR and Union representatives are provided unlimited telephone consultations, interventions and on-going case follow-up for problem employee and organizational situations. Based on the consultation, we will develop an action plan appropriate for the specific circumstances.
- Claremont's consultants have expertise in behavioral health, organizational systems, progressive discipline and human resources.

Formal Organizational Counseling Referrals

- Formal Organizational Counseling Referrals are a result of consultation with HR, managers or labor regarding a problem employee. This process is used for employees who have a personal problem that is suspected to be causing a work problem. In these cases, Claremont reports back to your organization to confirm the employee's participation in counseling.
- Reporting back to your organization only occurs when the employee signs a Release of Information agreement, legally permitting Claremont to report back to a specific individual at the organization.

Newsletters & Promotional Materials

- Program promotional materials including brochures, posters, wallet cards quarterly newsletters and promotional flyers are included.
- Customized and other "novel" program promotional materials are also available at nominal cost.

EAP Brown Bag Seminars

- EAP Brown Bags are short, open-format sessions designed to provide employees and managers a quick and practical overview of important topics such as Health and Wellness, Stress Management, Dealing with Difficult People, Holiday Stress, Work/Life Balance, Confidence and Career Management. *Up to 20 hours for brown bag seminars from a list of current topics are included per contract year.*

Health Fair Participation

- EAP, work-life, health and wellness information is provided (*up to 10 hours/contract year*) for employer-sponsored Health Fairs.

SAP and Aftercare Support Services

- National network of qualified Substance Abuse Professionals.
- Complete program compliance documentation.
- Expert coordination channeling communication between the SAP, the designated representative of the employer, the treatment program, when applied, and other designated authorities as the MRO or TPA.
- Monitoring and compliance reporting.
- In person assessments in geographically convenient locations, within one business day of referral.
- Ongoing management assistance on policy issues, individual employee situations, and language in keeping on safe, legal grounds as to DOT, ADA regulations, Drug-free Workplace Act.
- Custodian of records for DOT audit procedures.

Aftercare Support Program

Claremont's Aftercare Support Program can greatly reduce relapses among employees who test positive. This program provides active case monitoring for a minimum of one year once an employee has completed the SAP requirements to return to work. The level of monitoring exceeds DOT requirements. Services include:

- Program development, including establishment of an Employer Policy to make compliance with the Aftercare Program a condition of continued employment.
- Coordination with SAP and all treatment providers.
- Telephonic case monitoring of employees for a minimum of one year to assure compliance with the aftercare treatment plan.

SAP and Aftercare are provided at a cost of \$850/case.

Rates Per Employee Per Month (PEPM):

7/1/12-6/30/13	\$1.83 PEPM
7/1/13-6/30/14	\$1.92 PEPM
7/1/14-6/30/15	\$2.00 PEPM
7/1/15-6/30/16	\$2.08 PEPM
7/1/16-6/30/17	\$2.17 PEPM
7/1/17-6/30/18	\$2.26 PEPM
7/1/18-6/30/19	\$2.35 PEPM
7/1/20-6/30/20	\$2.45 PEPM

Claremont Terms

- The City will provide a monthly headcount by the 10th of each month
- Capitated fees will be billed monthly based on the total headcount provided by the City monthly.
- There will be a 5% increase in year 2 (7/1/13-6/30/14); and 4% increase per year thereafter.
- Beginning 7/1/14, if Clinical Utilization** is less than 5.0% during any contract year, there will be a rate pass for the following contract year.
- If Clinical Utilization is 8.0% or higher during any contract year, an additional \$265/case will be billed for all cases thereafter. The calculation will be done at the end of the contract year, using the number of Clinical Cases compared to the average headcount as provided by the City for each month of the relevant contract year.

*Incident: means a new and emergent issue or occurrence and the related causes and consequences of such issue or occurrence that disrupt the relevant Covered Individual's personal functioning, health, state of mind, and/or quality of life, as determined by Claremont. Examples include, but are not limited to, marital, family or personal relationship problems, emotional concerns, and substance abuse. A single Incident may manifest itself in multiple ways or over an extended period of time. For example, clinical depression is a single Incident that might affect or arise from several facets of a Covered Individual's life, such as his or her personal, marital, and work relationships. In addition, Claremont counts as a single Incident an issue that affects multiple Covered Individuals and Claremont will not authorize services for more than one Covered Individual for any one Incident. For example, marital problems would be counted as a single Incident even though they may affect both the husband and the wife. Accordingly, Claremont would only authorize one set of clinical visits, which the husband and wife may attend jointly. A final determination of what constitutes an Incident is in the sole discretion of Claremont.

**Clinical Utilization: Cases that are referred for in-person counseling services for issues including, but not limited to: marital/family conflicts, parenting concerns, substance abuse, work stress, anxiety, depression, and other issues that affect quality of life.

City of Oakland Optional Additional EAP Services

Additional Service Requested	Additional Fee
Additional Clinical Visits (at Employer's Request)	\$125.00 per visit
Onsite EAP Services	\$70.00 per hour (minimum of 8 hours per day billed)
Critical Incident Stress Debriefing (CISD) Services	\$275.00 per hour
Brown Bag Seminars	\$325.00 per hour
Mediation/Onsite Conflict Resolution	\$275.00 per hour
Management Coaching	\$250.00 per hour
Customized Training (Prep Time and Onsite)	\$325.00 per hour
Risk Assessments for Violence Cases	\$325.00 per hour
Health Fair Participation	\$125.00 per hour
Substance Abuse Professional Services	\$850.00 per case

**Scope of Services
Oakland Fire Department**

EAP Services for Employees and Family Members

Counseling

Three in-person counseling visits per eligible employee and their family member per rolling 6 months (Up to 12 visits per family per 6 months) with a licensed clinician are provided. These visits can address personal issues such as: stress, marital & family problems, emotional problems, alcohol & drug dependency, relationships, work-related difficulties, psychiatric disorders, and more. Eligibility will be determined using an employee roster provided by the Fire Department and updated as necessary.

24/7/365 Toll-Free Call Center

- 100% Masters-Level EAP Intake Counselors
- All calls answered "live" • No voicemail
- Multilingual • Language Line • TDD Line
- On-line access also available

Provider Network

- MFT, LCSW, PhD
- Geographically Convenient • Culturally Diverse • Multi-Lingual
- Discounted rates for additional visits

Legal & Mediation Services

- Free consultations provided (one consultation, up to 30 minutes per incident), referrals provided to attorneys or mediators.
- Legal matters include: as: family/domestic law, consumer/contract issues, personal injury, traffic tickets, DUI, estate planning, elder law, housing and real estate matters, bankruptcy and more (not covered: employment related matters)
- 25% discount off additional legal and mediation services
- Free Simple Will-Kits

ATTACHMENT B

Financial & Tax Planning Services

- Unlimited 30-60 minute Consultations, Referrals and Resources with seasoned financial counselors, CFP or licensed CPAs
- Financial matters include: credit counseling, debt and budgeting assistance, estate planning, tax planning, retirement and college planning, as well as various investment subjects and tax issues. Consultations are generally telephonic or in-person if requested.
- Free Credit Reports and review

Work-Life Services

Unlimited Consultations, Referrals and Resources with work-life and dependent care specialists

Child Care & Parenting includes consulting on and referrals to family day care homes, infant centers, pre-schools, before/after school programs, summer camps, sports programs, sick/emergency care, in-home options, and care for special needs children. Relocation assistance and resources for new parents also provided.

Elder Care & Disabled Adult Care include consulting on and referrals to care providers and/or support services for: elder care and disabled adult issues, hospitalization, nursing home/in-home care, assisted living facilities, meal/nutrition programs, Medicare/insurance, transportation, financial & legal services, emergency response services, and caregiver support. Relocation assistance also provided.

Pet Care includes consulting on and referrals to vets, animal hospitals, pet services, groomers/boarders, transportation services, pet insurance, and obedience classes. Educational materials including tip sheets and checklists also provided.

Adoption Assistance includes consulting on adoption options and the adoption process and referrals to public and private adoption agencies, adoption support organizations, single parent adoptions, adopting special needs children, stepparent adoptions, and international adoptions. Educational materials including tip sheets and resource listings.

School Selection includes consulting on public vs. private schools, advantages/disadvantages of each option, selecting an appropriate school, home schooling and referrals to elementary and secondary public/private schools, after school programs. Educational materials including school age tip sheets, checklists, and resource listings also included.

College Assistance includes consulting on private colleges vs. state universities, Masters / MBA programs, college process and referrals to state/private colleges and universities, test preparation courses, financial aid, educational consultants. Educational materials including College Guidebook and SAT information are also provided.

Convenience Referrals for daily living such as pet care, home repair, errand services, travel, entertainment and apartment locator services.

Wellness Referrals includes help with physician searches, medical support groups, fitness centers, diet & nutrition resources, alternative medicine and other resources.

Legal, Financial, and Work/Life services offer unlimited consultations, referrals and resources, per issue and **DO NOT** count against EAP counseling visits.

Self-Help Website

- Unlimited access to www.ClaremontEAP.com featuring a "Resource Guide" with helpful information on a variety of health and mental health topics, self-assessments, and a full menu of EAP services.

Enhanced Website

- This site is designed to help employees and their families with the essentials of daily life 24/7. Drawing from world-class contributors such as Harvard Medical School, Nolo Legal Press, and FinanCenter Claremont Personal Advantage aggregates more than 10,000 resources into an easy-to-use website.

Orientations & Materials

- Onsite/telephone meetings, DVD, on-line, and written materials to ensure employees understand how to access the EAP. *Unlimited employee orientations are provided with a minimum of 30 employees per session.*
- Employee orientations, including new employee orientations as scheduled by the Department with 14 days' notice. The Department will schedule the sessions and provide the location and contact information.

Newsletters & Promotional Materials

- Program promotional materials including brochures, posters, wallet cards and quarterly employee newsletters are provided.

EAP Services for Management & Labor

Dedicated Account Management, Program Implementation & Evaluation

- Claremont's Vice President, Account Services will be assigned to the Department. This individual will work to understand the Department's culture, challenges, and resources. She will assist in integrating the EAP into relevant management practices and policies, plan and schedule orientations, and coordinate the distribution of promotional materials.

Program Utilization Reports

- Quarterly reports including utilization data, trainings, consultations, and general observations are provided electronically to management on a routine and real-time basis.
- Reports do not identify specific individuals accessing the program pursuant to required confidentiality laws.

Management/Labor Orientations

Telephone meetings, DVD, on-line and written EAP Orientation materials are available to ensure your Managers/Supervisors/Union representatives understand how to access the EAP and take advantage of its many benefits including its consultative aspect. *Up to 12 hours of manager orientations are included per contract year.*

Critical Incident Stress Debriefing (CISD)

- Onsite CISD services to respond to emergency situations (e.g., acts of violence, death of a co-worker, robbery, national crisis, natural disaster, etc.) are included at no charge for group and individual assistance for up to three (3) hours, in any one location, on any one day, per incident. *Additional hours will be billed at \$275/Hour and require prior written approval from the Fire Chief or designees.*

Threat Management Program

- Claremont's Threat Management Program provides both preventive services and services that respond immediately to situations of potential violence.

We also assist you in establishing a Threat Management Team within your organization and provide telephone consultation for cases of potential violence. In-person risk assessments, security services and legal consultation are also available. *In-person risk assessments are available on a fee-for-service basis at \$325/hour.*

Problem Employee Consultations

- Managers, HR and Union representatives are provided unlimited telephone consultations, interventions and on-going case follow-up for problem employee and organizational situations. Based on the consultation, we will develop an action plan appropriate for the specific circumstances.
- Claremont's consultants have expertise in behavioral health, organizational systems, progressive discipline and human resources.

Formal Organizational Counseling Referrals

- Formal Organizational Counseling Referrals are a result of consultation with HR, managers or labor regarding a problem employee. This process is used for employees who have a personal problem that is suspected to be causing a work problem. In these cases, Claremont reports back to your organization to confirm the employee's participation in counseling.
- Reporting back to your organization only occurs when the employee signs a Release of Information agreement, legally permitting Claremont to report back to a specific individual at the organization.

Newsletters & Promotional Materials

- Program promotional materials including brochures, posters, wallet cards quarterly newsletters and promotional flyers are included.
- Customized and other "novel" program promotional materials are also available at nominal cost.

EAP Brown Bag Seminars

- EAP Brown Bags are short, open-format sessions designed to provide employees and managers a quick and practical overview of important topics such as Health and Wellness, Stress Management, Dealing with Difficult People, Holiday Stress, Work/Life Balance, Confidence and Career Management. *Up to 12 hours for brown bag seminars from a list of current topics are included per contract year.*

Health Fair Participation

- EAP, work-life, health and wellness information is provided (up to 8 hours/contract year) for employer-sponsored Health Fairs.

Billing:

The total cost shall not exceed \$30,000 per contract year from July 1, 2012 through June 30, 2015.

- Oakland Fire Department will pay as follows
 - \$2.15 per employee, per month for EAP services based on the number of filled positions, which will be adjusted monthly by Oakland Fire Department
 - \$90 per counseling visit

The following services require advanced written approval from the Fire Chief or designee.

Optional Additional EAP Services

Additional Service Requested	Additional Fee
Additional Clinical Visits (at Employer's Request)	\$125.00 per visit
Critical Incident Stress Debriefing (CISD) Services	\$275.00 per hour
Brown Bag Seminars	\$275.00 per hour
Mediation/Onsite Conflict Resolution	\$275.00 per hour
Management Coaching	\$250.00 per hour
Customized Training (Prep Time and Onsite)	\$325.00 per hour
Risk Assessments for Violence Cases	\$325.00 per hour
Health Fair Participation	\$125.00 per hour
Substance Abuse Professional Services	\$850.00 per case

Attachment C

Vendor Qualification Matrix

Benefits	ComPsych (Sun Life) Current	Claremont Proposed	Holman Group Proposed	MHN (CSAC-EIA) Proposed
Telephonic Counseling	Included	Included	Included	Included
Employee Services				
Legal Services	Initial consult included/issue (Office) Telephonic Unlimited	One 30-minute session/issue (Office or Telephonic)	One 30-minute session/issue (Office or Telephonic)	30-minute sessions/unlimited issues (Office or Telephonic)
Financial Services	One hour session/issue (Office) Telephonic Unlimited	One 30-60 minute session/issue (Office or Telephonic)	30-minute sessions/unlimited issues (Telephonic Only)	30-minute sessions/unlimited issues (Telephonic Only)
Child and Elder Care Referral Services	Telephonic Unlimited	Telephonic Unlimited	Telephonic Unlimited	Telephonic Unlimited
Work/Life Services	Telephonic Unlimited	Telephonic Unlimited	Telephonic Unlimited	Telephonic Unlimited
Customized Website	Not Included	Included with no additional charge	Included with no additional charge	Included with no additional charge
Employee Services				
Training Sessions/Brown Bag Seminars	Up to 2 webinar hours included thereafter \$150 per hour plus travel	20 hours (Onsite) \$325/Hour thereafter	20 Hours (Combined with trainings) \$150/Hour thereafter plus \$75/Hour for Travel	20 Hours (Onsite) \$300/Hour thereafter plus \$100/Hour for Travel
Management Consultations	Telephonic Unlimited	Telephonic Unlimited	Telephonic Unlimited	Telephonic Unlimited
CISD	1 session up to 2 hours included thereafter \$205 per hour plus travel	3 Hours per incident/unlimited incidents \$275/Hour thereafter	20 Hours (Combined with trainings) \$150/Hour thereafter plus \$75/Hour for travel	20 Hours per incident/unlimited incidents
Threat Assessment	N/A	Telephone consultation unlimited In person assessment - an outside vendor can be utilized for extreme cases. Add l cost = \$275 - \$375/hour CISD or Seminar hours are also available.	Telephonic consultation unlimited In person assessment: CISD or Seminar hours are available.	Telephonic consultation unlimited In person assessment: CISD or Seminar hours are available.
Reports Frequency	Quarterly Reports	Quarterly Reports	Quarterly Reports	Quarterly Reports
Rate Guarantee	1 Year	2 Year; 2nd Year Rate Cap of 5%	2 Years	2 Years
Monthly Rates PEPM 5 Sessions per Incident	ComPsych (Sun Life) Current ¹ \$11.05	Claremont \$11.83	Holman Group \$11.97	MHN (CSAC-EIA) \$11.89
Total EAP Program Premium ² Monthly Premium Annual Premium	ComPsych (Sun Life) Current \$4,252 \$51,030	Claremont \$7,847 \$94,164	Holman Group \$8,447 \$101,368	MHN (CSAC-EIA) \$8,104 \$97,252
Additional Services	ComPsych (Sun Life) Current	Claremont	Holman Group	MHN (CSAC-EIA)
Substance Abuse	Referral and Monitoring included at no cost for non-DOT; \$760/case for DOT employees	\$850 flat rate per case	Referral and Monitoring Included at no cost	Referral and Monitoring Included at no cost
Onsite EAP Expense	N/A	\$70/Hour or \$560/8-Hour Day (travel time waived)	\$936/8-hour day Graded Schedule; 1 hour = \$150/hr + \$75/hr travel 2 hours = \$142/hr (travel time waived) 4 hours = \$135/hr (travel time waived) 6 hours = \$126/hr (travel time waived) 8 hours = \$117/hr (travel time waived)	\$68.75/Hour or \$550/8-Hour Day (travel time waived)

¹ Current ComPsych plan shown is included as a value added benefit in the City's LTD plan through Sun Life. Sun Life LTD rates will not change if the City decides to pursue an EAP plan through another vendor. Sun Life is able to extend the rate of \$1.05 to other departments not currently covered by the City's Disability Plan.

² 10% Commission included in quoted rates

DRAFT

City Attorney

FILED
OFFICE OF THE CITY CLERK
OAKLAND

2012 JUN 14 PM 1:27

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING A TWO-YEAR AGREEMENT WITH CLAREMONT BEHAVIORAL SERVICES, INC. FOR EMPLOYEE ASSISTANCE PROGRAM AND RELATED SERVICES FOR ALL NON-SWORN CITY EMPLOYEES AND THE SWORN EMPLOYEES OF THE OAKLAND FIRE DEPARTMENT IN AN AMOUNT NOT-TO-EXCEED \$291,644 (\$142,997 IN CONTRACT YEAR 2012-13 AND \$148,647 IN CONTRACT YEAR 2013-14), WITH AN OPTION TO EXTEND THE AGREEMENT FOR NON-SWORN EMPLOYEES FOR SIX ADDITIONAL YEARS IN TWO-YEAR INCREMENTS IN AN AMOUNT NOT-TO-EXCEED \$123,393 IN YEAR 2014-15 ADJUSTED BY A 4% INCREASE EACH YEAR THEREAFTER THROUGH 2020, AND AN OPTION TO EXTEND THE AGREEMENT FOR FIRE SWORN EMPLOYEES FOR ONE ADDITIONAL YEAR WITH NO INCREASE IN THE CONTRACT AMOUNT, AND WAIVING THE LOCAL AND SMALL LOCAL BUSINESS ENTERPRISE PROGRAM (L/SLBE) PARTICIPATION REQUIREMENTS

WHEREAS, the City Council desires employee assistance program services; and

WHEREAS, after engaging in an request for proposal process, the City determined that Claremont Behavioral Services, Inc. provided the most efficient and effective option for the provision of employee assistance program services; and

WHEREAS, the City Council desires that the contract for services include performance measures for meeting goals specified in the contract in order to qualify for ongoing renewal of the contract within the specified terms of the contract; and

WHEREAS, the agreement provides that for the performance of the services Claremont Behavioral Services, Inc. will be paid a baseline fee plus fees for optional additional services at a cost equal to 20 percent of the annual baseline fee; and

WHEREAS, contract renewal is based on acceptable performance as determined by monthly Utilization Reports and Clinical Case Outcomes reports showing stable usage, and monthly client satisfaction ratings of at least 85 percent; and

WHEREAS, pursuant to the City Council's motion authorizing the agreement with Claremont Behavioral Services, Inc., the agreement provides that the term thereof shall be two years with three options on the City's part to extend the term of the agreement for an additional two years for a total of six (6) additional years; and

WHEREAS, staff recommends that the City waive the L/SLBE participation requirement because the Contracting and Purchasing Division has verified that the City's database of certified contractors does not contain at least three firms that list the types of services required for this contract; and be it

WHEREAS, the City Council finds that this contract is for services of a professional nature; and

WHEREAS, the City Council finds that services under this contract will be temporary; and

WHEREAS, the City Council finds that this contract shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now, therefore, be it

RESOLVED: That the City Administrator is authorized to enter into an agreement with Claremont Behavioral Services, Inc. for employee assistance program services for two years for an amount not to exceed \$291,644.00 (\$142,997 for Contract Year 2012-13 and \$148,647.00 for Contract Year 2013-14); and be it

FURTHER RESOLVED: That the City's Local and Small Local Business Enterprise Program (L/SLBE) participation requirements are waived for this contract because the City does not have in its database at least three certified contractors that provide the types services required for this contract; and be it

FURTHER RESOLVED: That beginning Fiscal Year 2014-15, there will be no rate increase in the Non-Sworn Per-Employee-Per-Month for the following year if Clinical Utilization is less than 5 percent during any contract year; and be it

FURTHER RESOLVED: That beginning Fiscal Year 2014-15, if Non-Sworn Clinical Utilization is 8 percent or higher during any contract year there will be a charge of an additional \$265/case for all cases thereafter; and be it

FURTHER RESOLVED: That upon acceptable performance as determined by the submission of monthly Utilization Reports and Clinical Case Outcomes reports showing stable usage, and monthly client satisfaction ratings of at least 85 percent, the City

Administrator is authorized to extend the term of the contract for services to non-sworn employees for six years in two-year increments in an amount not to exceed \$123,393 for 2014-15 and adjusted by 4% for each subsequent contract year to 2020; and be it

FURTHER RESOLVED: That upon acceptable performance as determined by the submission of quarterly Utilization Reports and Clinical Case Outcomes reports showing stable usage, and quarterly client satisfaction ratings of at least 85 percent, the City Administrator is authorized to extend the term of the contract for services to Fire Sworn employees for one additional one-year term with no increase in the contract amount; and be it

FURTHER RESOLVED: That funding for contract services to non-sworn employees is contained the Fiscal Year 2011-13 Adopted Policy Budget within the Fringe Benefits Fund (1300), Undetermined Organization (00000), Accrued Health/FICA/Medicare Account (21516), Undetermined Project (0000000), Undetermined Program (0000); and be it

FURTHER RESOLVED: That funding for contract services to sworn Fire Department employees is contained the Fiscal Year 2011-13 Adopted Policy Budget within the General Purpose (1010), Fire Human Resources Organization (20811), Miscellaneous Contract Services Account (54919), Undetermined Project (0000000), Personnel Resource Management Program (PS16); and be it

FURTHER RESOLVED: That the City Administrator is authorized to complete all negotiations and execute all contracts, amendments, modifications and extensions consistent with this resolution and its basic purposes.

IN COUNCIL, OAKLAND, CALIFORNIA, _____.

PASSED BY THE FOLLOWING VOTE:

AYES – BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN,
NADEL, SCHAAF, AND PRESIDENT REID

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____
LATONDA SIMM
City Clerk
of the City of Oakland, California