



Westchester Community College

State University of New York

52916

October 11, 2016

To: Board of Acquisition and Contract

From: Belinda S. Miles
President

Re: Authority to enter into an agreement with POMCO, Inc. for the provision of health plan administrative services in connection with the College's Employee Benefit Plan for the period January 1, 2017 through December 31, 2018 in an amount not to exceed \$790,000.

Westchester Community College (the "College") currently has an agreement with POMCO, Inc. ("POMCO") whereby POMCO provides third party administrator ("TPA") services and preferred provider organization ("PPO") network services in connection with the College's Employee Benefit Plans. This agreement expires on December 31, 2016.

The College has utilized POMCO's TPA services and PPO network for over 20 years, going back to when the College was a part of the Westchester County Employee Benefit Plan. During this period, POMCO's PPO network has grown to over 13,000 providers and facility locations utilized by the College's employees/retirees. This network not only provides great access, but also allows POMCO to negotiate the lowest reimbursement rates among those providers when compared to area insurers.

POMCO has agreed to keep their administrative fee at the same level as 2016 for both 2017 and 2018. The term of the proposed agreement will be two (2) years, commencing January 1, 2017 and terminating December 31, 2018, with the College having the option to terminate the agreement upon 60 days notice. The amount payable to POMCO as an administrative fee during shall not exceed \$790,000.

The public purpose of the proposed Agreement is that it enables the College to ensure the provision of high quality and cost effective health care for employees, retirees and their respective families, in accordance with the College's health benefit plan.

Since health care expenses for employees and retirees are a significant cost to the College, the goals and objectives will be measured by the College's Business Office and Health Benefits Office via on-going monitoring of the costs associated with the services provided.

Accordingly, I recommend to your Honorable Board that the County of Westchester acting by and through Westchester Community College enter into an agreement with POMCO for the provision of health plan administrative services in connection with the College's Employee Benefit Plans for the period January 1, 2017 through December 31, 2018.

A resolution exempting this procurement from the operation of the Westchester County Procurement Policy is also before your Honorable Board and must be adopted prior to adoption of this resolution.

BSM/me
Attachment

APPROVED BOARD OF ACQUISITION & CONTRACT - 11/03/2016 - LISA M. PAJ, SECRETARY

RESOLUTION

Upon a communication from the President, Westchester Community College, be it hereby

RESOLVED, that the County of Westchester acting by and through Westchester Community College (the "College") is hereby authorized to enter into an agreement with POMCO, Inc. ("POMCO") for the provision of health plan administrative services in connection with the College's Employee Benefit Plan for the period January 1, 2017 through December 31, 2018, with the College having the option to terminate the agreement upon 60 days notice; and be it further

RESOLVED, that pursuant to the agreement, the amounts payable to POMCO as an administrative fee shall not exceed \$790,000, payable based on a per employee/retiree rate; and be it further

RESOLVED, that this Agreement is subject to County appropriations; and be it further

RESOLVED, that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the "State Budget") proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Contractor, then the Contractor shall have the right to terminate this Agreement upon reasonable prior written notice; and be it further

RESOLVED, that the County Executive or his authorized designee is hereby authorized to execute all instruments and take all actions reasonably necessary to implement this Resolution.

Account to be Charged/Credited	Fund	Dept.	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
	705			27070		\$790,000

Budget Funding Year(s) Start Date: 1/1/2017 End Date: 12/31/2018
(must match resolution)

Funding Source: Tax Dollars \$363,400 Contractor Federal I.D. No./
Social Security No.:
State Aid \$426,600
\$790,000 Federal Aid _____ Vendor No.:
(must match resolution) Other _____ Encumbrance No.: _____

APPROVED BOARD OF ACQUISITION & CONTRACT - 11/03/2016 - LISA MARIJAJ, SECRETARY