



BOARD OF DIRECTORS

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**Meeting Location:
Fresno County Employees' Retirement
Association Board Chambers
1111 H Street
Fresno, CA 93721
August 22, 2014 9:00 AM**

AGENDA DATE: August 22, 2014

ITEM NUMBER: 11

SUBJECT: Final results of the RFP for Wellness and Disease Management Services and recommendation of vendor selection effective January 1, 2015.

REQUEST(S): That the Board approve the recommendation to negotiate a new agreement with Viverae effective January 1, 2015

DESCRIPTION:

At the February 21, 2014, [your Board directed staff](#) to request proposals for integrated wellness and disease management vendors capable of handling the complexities, goals, and expectations of the SJVIA programs. Staff provided an [update on the RFP process](#) at the July 25, 2014 meeting. As discussed at the last Board meeting, the SJVIA received six proposals. Finalist interviews were held on August 8, 2014 with the following vendors:

- Delta TeamCare
- Humana Vitality
- Optum
- TriWellness
- Viverae

The proposals received by the above vendors varied greatly in scope, pricing, resources, onsite capabilities, and software platform. After careful review of the proposals, consideration of the information presented at the finalist interviews, and discussion with Gallagher Benefit Service's national Wellness Practice Leaver, Ali Payne, it was determined that the SJVIA should negotiate an agreement with Viverae to provide wellness and disease management services.

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From a cost perspective, Viverae was the lowest cost bidder when comparing similar services. Although TriWellness offered a less expensive alternative, they do not offer a fully integrated disease management option, eliminating them from further consideration. Viverae's proposal also provided the most innovative, technologically driven presentation of the potential vendors. They offer a program that is able to sync up with close to 100 different mobile devices, thus driving engagement with employees; one of the SJVIA's primary goals of this RFP. In addition to providing corporate challenges, Viverae provides individual challenges to further engage employees on a more personal level, thereby attracting more of our members to the wellness program. Finally, Viverae was able to best demonstrate, citing specific current examples of their other clients, how the SJVIA will be able to maximize a return on investment by utilizing their services.

It is staff's recommendation to negotiate a three year agreement with Viverae effective January 1, 2015. Additionally, with your Board's approval, staff may choose to negotiate a separate agreement with Delta TeamCare for separate onsite wellness efforts.

FISCAL IMPACT/FINANCING:

The SJVIA has budgeted \$2.50 per employee per month (PEPM), or \$325,800 annually for Wellness efforts. The SJVIA currently pays \$2.10 PEPM (PPO) and \$3.38 PEPM (HMO) for disease management programs through Anthem 360, whereas Viverae's fee for disease management is \$2.75 PEPM. Delta TeamCare offers health risk assessments and biometric screenings at \$195 per employee that participates. Viverae's fee for biometric screenings is \$59.95. The total fee for comprehensive wellness programs through Viverae is \$4.05 PEPM. While there will be an increase in fixed costs for the wellness program, Viverae's comprehensive program will produce the employee engagement and subsequent return on investment the SJVIA sought through the RFP process.

ADMINISTRATIVE SIGN-OFF:



Rhonda Sjostrom
SJVIA Manager



Paul Nerland
SJVIA Assistant Manager