

## Meeting Location: County of Tulare Board of Supervisors Chambers 2800 W. Burrel Avenue Visalia, CA 93291

## **BOARD OF DIRECTORS**

STEVE BRANDAU
KUYLER CROCKER
NATHAN MAGSIG
BUDDY MENDES
BRIAN PACHECO
AMY SHUKLIAN
PETE VANDER POEL

**AGENDA DATE:** December 11, 2020

**ITEM NUMBER:** Item 12

**SUBJECT:** Approve \$36,660 for 2021 Annual Fee

Reimbursement to the County of Tulare for a Direct Pay Contract with 98point6 and Effective January 1, 2022, Approve the County of Tulare's Participation Under the SJVIA 98point6 Contract

and Rate (A)

**REQUEST(S):** That the Board approve reimbursement of the

2021 annual fee of \$36,660 paid by the County of Tulare to 98point6 and approve the County of Tulare's participation under the SJVIA agreement

effective January 1, 2022.

## **DESCRIPTION:**

At the October 16, 2020 Board meeting, the SJVIA approved to contract with 98point6, a text-based app that offers primary care. The County of Tulare currently has a two-year direct contract arrangement with 98point6 as part of its benefits program effective January 1, 2020. Since the SJVIA approved to contract with 98point6 effective January 1, 2021, the County of Tulare seeks reimbursement for its 2021 annual fee, estimated at \$36,660. The twoyear subscription fee was \$73,320 which was to be paid annually. The first payment was submitted electronically on January 8, 2020 and the second payment of \$36,660 is due on or about January 1, 2021 with a 60-day grace period. The contracted fee was based on the number of employees authorized to use the service (3,055 employees). Upon payment to 98point6, the County of Tulare will request reimbursement for the \$36,660 fee for 2021 by submitting an invoice to the SJVIA with supporting documentation. In the event that the authorized number of employees increases by more than 10%, 98point6 will invoice the County of Tulare an additional fee at a rate of \$1.00 per employee per month for each employee that exceeds authorized number of employees for the number of months remaining in the term. To date, the

**AGENDA**: San Joaquin Valley Insurance Authority

**DATE:** December 11, 2020

number of authorized employees has not increased by more than 10%. If this occurs, the County of Tulare will submit an invoice to the SJVIA requesting reimbursement for the additional fees as described above, and SJVIA staff will return to the Board for approval of the reimbursement.

Although the SJVIA has contracted with 98point6 effective January 1, 2021, that agreement does not cover the County of Tulare. At expiration of the County of Tulare's direct contract with 98point6, ending December 31, 2021, the County of Tulare will join in under the SJVIA contract effective January 1, 2022.

## FISCAL IMPACT/FINANCING:

The County of Tulare is currently paying 98point6 and will continue to pay for these services directly at its own rate through December 31, 2021. Beginning January 1, 2022, the County of Tulare will join in under the rate provided for the SJVIA. For the 2021 plan year, the County of Tulare will seek reimbursement of \$36,660 for the 2021 Annual Fee for 98point6 services, and potentially additional fees depending upon the number of authorized employees covered under the agreement as described above.

When the County of Tulare joins the SJVIA effective January 1, 2022 the standard fee is expected to be \$1.25 per member per month, or \$67,500 annually.

**ADMINISTRATIVE SIGN-OFF:** 

Paul Nerland SJVIA Manager Lupe Garza SJVIA Assistant Manager