



AGENDA ITEM REPORT

DATE: September 5, 2023
DEPARTMENT: Human Resources
REQUESTER: Angela Pruitt
TITLE: Approve Contract Amendment for Group Medicare Advantage Plan

I. MOTION REQUESTED

A) Approve Amendment No. 1 to the contract with Aetna Life Insurance Company, now known as Aetna Health Management, LLC, under Solicitation No. RFP210280CJV, Group Medicare Advantage Plan, to incorporate the “Lee County Board of County Commissioners 2022 – 2024 Medicare Advantage and Part D Rate Guarantee,” which was originally received from Aetna Life Insurance Company’s initial proposal, into the contract as a rate exhibit. This amendment will also assign the agreement to Aetna Life Insurance Company’s new entity, Aetna Health Management, LLC. This amendment will set the Medicare Plan 2024 Guaranteed Monthly Rate, at \$324.56 (4% increase), with total anticipated expenditures for Fiscal Year 2023-2024 in the amount of \$2,523,779. Total expenditures during Fiscal Year 2022-2023 were \$2,369,465.

B) Authorize the Chair to execute the contract documents on behalf of the Board of County Commissioners.

II. ITEM SUMMARY

Approves a contract amendment with Aetna Health Management, LLC, under the solicitation for Group Medicare Advantage Plan. The amendment will incorporate the “Lee County Board of County Commissioners 2022-2024 Medicare Advantage and Part D Rate Guarantee” into the contract as a rate exhibit. This amendment will also assign the agreement to Aetna Life Insurance Company’s new entity, Aetna Health Management, LLC.

This amendment will set the Medicare Plan 2024 Guaranteed Rate, at \$324.56, which is a 4% increase. Anticipated expenditures for FY 23-24 are \$2,523,779 (employer premium \$1,514,267/retiree premium \$1,009,512).

Total expenditures for Fiscal Year 22-23 were \$2,369,465 (employer premium \$1,421,679/retiree premium \$947,786).

III. BACKGROUND AND IMPLICATIONS OF ACTION

A) Board Action and Other History

On September 21, 2021, the Board of County Commissioners awarded RFP210280CJV, Group Medicare Advantage Plan, to Aetna Life Insurance Company to provide the retiree Group Medicare Advantage medical and pharmacy benefits plan, on an as needed basis. The original term of the contract was for 3-years with an option to renew, in whole or in part, for a renewal term or terms not to exceed the initial Agreement term of 3-years.

After the execution of the agreement Aetna Life Insurance Company rebranded as Aetna Health Management LLC.

B) Policy Issues

C) BoCC Goals

D) Analysis

E) Options

IV. FINANCIAL INFORMATION

A)	Current year dollar amount of item:	See Comments below.
B)	Is this item approved in the current budget?	Yes
C)	Is this a revenue or expense item?	Expense
D)	Is this Discretionary or Mandatory?	Discretionary
E)	Will this item impact future budgets? If yes, please include reasons in III(D) above.	
F)	Fund: 00100 Program: Non Departmental Project: Account Strings: GC5190300100.503190	
G)	Fund Type?	General Fund

H)	Comments: Anticipated expenditures for FY 23-24 are \$2,523,779 <ul style="list-style-type: none"> • Employer premium \$1,514,267 • Retiree premium \$1,009,512
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V. RECOMMENDATION

Approve

VI. TIMING/IMPLEMENTATION

Effective 1/1/24

VII. FOLLOW UP

ATTACHMENTS:

Description	Upload Date	Type
Group Medicare Advantage Plan	8/15/2023	Contract
Delegation for Signature	8/16/2023	Backup Material
090523R-C-20-First Amendment of the Group Medicare Advantage Plan Agreement	9/11/2023	Contract

REVIEWERS:

Department	Reviewer	Action	Date
Human Resources	Tucker, Mary	Approved	8/23/2023 - 4:40 PM
Human Resources	Pruitt, Angela	Approved	8/28/2023 - 10:18 AM
Budget Services	Henkel, Anne	Approved	8/28/2023 - 10:38 AM
Budget Services	Winton, Peter	Approved	8/28/2023 - 11:19 AM
County Attorney	Fraser, Andrea	Approved	8/28/2023 - 11:36 AM
County Manager	Harner, David	Approved	8/28/2023 - 2:46 PM