

**CITY OF SAN ANTONIO
HUMAN RESOURCES DEPARTMENT
INTERDEPARTMENTAL CORRESPONDENCE**

TO: Mayor and City Council

THROUGH: Terry M. Brechtel, City Manager

FROM: Sharon De La Garza, Director, Human Resources Department

COPIES: Frances A. Gonzalez, Assistant City Manager; City Attorney's Office; Finance Department; File

SUBJECT: Employee Assistance Program Contract Extension

DATE: May 20, 2004

SUMMARY AND RECOMMENDATION

This Ordinance authorizes the City Manager or her designee to exercise a five (5) month extension and amendment of the current contract with Employee Assistance Program International (EAPI) to provide an Employee Assistance Program (EAP) for all non-uniformed active city employees and their eligible household members. This program provides short-term counseling to help employees resolve personal, family and work related stress issues which can compromise employee productivity. This contract extension will bring the EAP in line with all other benefits contracts, which are executed on a calendar year basis, and will allow for greater contract and benefits efficiencies. This contract will be for a five (5) month term beginning August 1, 2004 and ending December 31, 2004 in an estimated amount of \$58,460.00.

Staff recommends approval of this Ordinance.

BACKGROUND INFORMATION

The current employee assistance program is in effect pursuant to Ordinance No. 90050, and has been administered by Employee Assistance Programs International (EAPI) since August 1, 1999. The original three (3) year contract included a provision for two (2) one (1) year renewal options. The first one (1) year extension was implemented on August 1, 2002, pursuant to Ordinance No. 96029. The second one (1) year extension was implemented on August 1, 2003 pursuant to Ordinance No. 97739, and ends on July 31, 2004. An RFP for EAP services has been issued. In the interim the City desires to extend the current contract with EAPI to bring the EAP contract in line with all other benefits contracts (which start on January 1).

During the first one (1) year contract extension EAPI was acquired by Horizon Behavioral Services (HBS), and is now a wholly owned subsidiary of HBS.

Prior to recommending the extension of this contract a review of EAPI's customer satisfaction performance was conducted by a committee comprised of representatives from: Public Works, Health Department, Community Initiatives, Parks & Recreation, Finance, City Attorney's Office, and Human Resources. This review included:

- Customer satisfaction surveys: Are consistently above contractually required 80% level.

- Customer utilization rates: COSA's annual utilization rate for 2003 was 9.15%, which is more than exceeds the national average of 6.3% (Mercer Corporation, 1996). More than 80% of these EAP visits were directly related to family and job related stress.
- Customer Complaints. Human Resources has not received a single written complaint directed toward EAPI during the original three (3) year contract period, or the first one (1) year extension.

POLICY ANALYSIS

Extension of this contract will allow for a continued employee assistance program, which is an integral part of the City's Self-Funded Health Benefits Program.

FINANCIAL IMPACT

Funds in the amount of \$23,244.00 are included in the adopted Budget for Fiscal Year 2003-2004 and \$35,216.00 in the proposed budget for Fiscal Year 2004 – 2005. The cost of the EAP is based on a per employee, per month rate of \$1.88 multiplied by the number of full-time non-uniformed employees. The current contracted rate of \$1.88 will remain the same for the proposed contract extension. The projected costs include a five percent enrollment increase for FY 05. Renewal of this contract is contingent upon council approval and availability of funds.

COORDINATION

This proposed ordinance has been reviewed and coordinated with the following departments: Public Works, Health Department, Community Initiatives, Parks & Recreation, Finance, City Attorney's Office, and Human Resources.

SUPPLEMENTAL COMMENTS

The required Ethics Disclosure Statement is attached.


Sharon De La Garza
Human Resources Director


Frances A. Gonzalez
Assistant City Manager

Approved:


Terry M. Brechtel
City Manager

Attachments

City of San Antonio
Discretionary Contracts Disclosure*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before a discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the City in the enforcement of provisions contained in the City Charter and the Code of Ethics, an individual or business entity seeking a discretionary contract from the City is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any individual who would be a party to the discretionary contract:

NA

(1) the identity of any business entity¹ that would be a party to the discretionary contract:

NA

and the name of:

(A) any individual or business entity that would be a **subcontractor** on the discretionary contract;

NA

and the name of:

(A) any individual or business entity that is known to be a **partner**, or a **parent** or **subsidiary** business entity, of any individual or business entity who would be a party to the discretionary contract;

NA

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

- (1) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

N/A


Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current* or *former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:
N/A		

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature: 	Title: <u>V. P. OPERATIONS</u> Company: <u>CAPT/ HBS</u>	Date: <u>4/28/04</u>

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

EXTENSION AND AMENDMENT OF
EMPLOYEE ASSISTANCE PROGRAM SERVICES CONTRACT

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This Extension and Amendment of the EMPLOYEE ASSISTANCE PROGRAM SERVICES CONTRACT (herein after "EXTENSION CONTRACT") is entered into by and between the **CITY OF SAN ANTONIO** (hereinafter referred to as "**CITY**"), a Texas Municipal Corporation, acting by and through its City Manager, pursuant to Ordinance No. _____, passed and approved on _____, 2004, and **EMPLOYEE ASSISTANCE PROGRAMS INTERNATIONAL, LLC** (formerly Employee Assistance Programs, Inc.), a subsidiary of Horizon Behavioral Services, Inc., having its principal place of business at 410 17th Street, Suite 300, Denver, Colorado, (hereinafter referred to as "**CONTRACTOR**"), acting by and through its Chief Operating Officer Peggy Wagner.

I.

The parties agree to amend the EMPLOYEE ASSISTANCE PROGRAM SERVICES CONTRACT approved by San Antonio Ordinance No. 90050, passed and approved on July 1, 1999 (hereinafter "CONTRACT"). The sections amended are Section II, Definitions, Section III, Scope of Services, Section VII, "Term" and Section VIII, Payment for Services as stated in of the CONTRACT, these amendments being in accordance with Section IX, Change in Services, and Section XXII, Entire Agreement of the CONTRACT.

II.

The undersigned parties agree that the term of the CONTRACT, as originally stated in Section VII, TERM," is hereby extended for five (5) months commencing August 1, 2004 and ending December 31, 2004 unless terminated earlier pursuant to the terms of the CONTRACT or the terms provided herein.

III.

Section II, Definitions, subsection 2.6 is hereby amended to read as follows:

- 2.6 "PLAN PARTICIPANT" means an Employee, and Eligible Dependant, or any member of the Employee's household.

IV.

Section III, Scope of Services, Subsections 3.4, 3.5.12 and 3.12 of the CONTRACT are hereby amended to read as follows:

- 3.4 The **CONTRACTOR** will provide five (5) counseling sessions per Plan Participant per issue in the Contract Year covered by this EXTENSION CONTRACT. The sessions will consist of counseling services for common issues, including but not limited to family problems, marital problems, drug and/or alcohol abuse and dependency, depression, compulsive gambling, anger management, eating disorders, financial and legal issues, anxiety, stress and/or tension, grief, child and adolescent problems, inter-personal problems with co-workers and supervisors, and single parenting problems. There is no limit to the number of issues for which a Plan Participant can receive counseling services in the Contract Year.
- 3.5.12 Training and On-site Support Services. **CONTRACTOR** shall provide, upon request, each calendar year, a total of eight (8) hours of any combination of the following training or on-site support services for any and all Employees designated by the **CITY**:

Training: **CONTRACTOR** is available to provide employee orientation seminars, EAP management/supervisor orientation training seminars, or Work and Life Management Seminars, the topic of which shall be determined jointly by **CONTRACTOR** and the **CITY** and shall be selected from the **CONTRACTOR'S** list.

On-site support services: **CONTRACTOR** is available to provide on-site support services during organizational change and/or transition announcements, meetings, processes, and health fairs. **CONTRACTOR** reserves the right to determine the number of counselors available for such services on the basis of need and availability.

To allow for **CONTRACTOR** to best respond to **CITY'S** requests for training or on-site support services, a minimum of seventy-two (72) hours advance notice is required. In all situations, **CONTRACTOR** will make its best efforts to meet the request of **CITY**, but **CONTRACTOR** cannot guarantee the availability of service providers without sufficient lead time. Further, **CITY** is required to

provide **CONTRACTOR** with sufficient notice of cancellation of any scheduled training or on-site support event. If **CITY** cancels an event with less than forty-eight (48) hours' notice prior to the scheduled event, **CITY** shall be responsible for fifty (50) percent of all applicable fees. If **CITY** cancels an event with less than twenty-four (24) hours' notice prior to the scheduled event, **CITY** shall be responsible for all applicable fees.

- 3.12 The **CONTRACTOR**, in order to provide services to all Plan Participants regardless of their geographical location within the City, shall maintain sufficient counseling locations with certified EAP counselors under contract with the **CONTRACTOR**. As one of its alternate locations, **CONTRACTOR** shall offer a counseling location in the downtown area of San Antonio, Texas. **CONTRACTOR** shall provide a "one call" service in these various locations. **CONTRACTOR** shall maintain a sufficient number of counselors at various locations to ensure that the average non-emergency appointment time does not exceed three (3) business days.

V.

Section III, Scope of Services, is hereby amended by adding the following subsections to subsection 3.5:

- 3.5.16 Critical Incident Stress Management. Upon request, **CONTRACTOR** shall provide the first three (3) hours of Critical Incident Stress Management Services, per each separate incident, to **CITY** in support of Employees and/or managers. Additional hours of Critical Incident Stress Management services shall be provided by **CONTRACTOR** on a fee-for-service basis. Situations benefiting from Critical Incident Stress Management Services shall be determined jointly by **CONTRACTOR** and the **CITY**.
- 3.5.17 Legal Services. Upon request of a Plan Participant, **CONTRACTOR** shall arrange for one (1) consultation per separate legal issue, per Plan Participant, per year. This initial consultation shall be conducted via telephone or in person with an attorney licensed to practice law in the state where the Plan Participant resides. All legal topics are included, with the exception of legal matters involving disputes or actions between a Plan Participant and his or her employer or **CONTRACTOR**. If more extensive legal consultation is required, a referral shall be made to an attorney within the geographic area in which Plan Participant resides. For legal services provided beyond the initial consultation, any and all services rendered by an attorney to whom such Plan Participant is referred shall be paid for by such Plan Participant, and **CONTRACTOR** shall have no liability whatsoever therefor. **CONTRACTOR** does not endorse, sponsor or guarantee any service or product delivered by any attorney referred to beyond the initial consultation, and **CONTRACTOR** shall have no liability whatsoever therefor.

- 3.5.18 Financial Services. Upon request of a Plan Participant, **CONTRACTOR** shall arrange for one (1) consultation per separate financial issue, per Plan Participant, per year. **CONTRACTOR** shall facilitate consultation with financial specialists appropriate to the presenting problem. Such consultation shall be provided through a third-party vendor engaged in providing said services. Following this initial consultation, a referral may be made to other appropriate resources. Any and all services rendered, or referrals made, beyond the initial consultation shall be paid for by Plan Participant, and **CONTRACTOR** shall have no liability whatsoever therefor. **CONTRACTOR** does not endorse, sponsor or guarantee any service or product delivered by any organization or agency referred to beyond the initial consultation, and **CONTRACTOR** shall have no liability whatsoever therefor.
- 3.5.19 Substance Abuse Professional Services. Upon request of **CITY**, for drug and alcohol cases that fall under the Department of Transportation (DOT) guidelines, **CONTRACTOR** shall provide initial and ongoing management consultation, as well as case management throughout the Substance Abuse Professional (SAP) assessment and referral process. **CONTRACTOR** shall refer to a qualified SAP to conduct initial assessment and provide treatment recommendations, follow-up testing schedule, referral to treatment resource and compliance meeting, as defined by Department of Transportation (DOT) SAP guidelines. After an Employee's return to the workplace, and upon the request of **CITY**, **CONTRACTOR** shall provide ongoing monitoring of treatment and case management through completion of treatment. Such ongoing monitoring of treatment and case management shall be negotiated by the **CITY** and **CONTRACTOR** on a case-by-case basis. Per DOT Regulation, **CITY** has final decision-making authority regarding the return of an Employee to the workplace. If a referral to a treatment resource occurs, Employee will be responsible for the cost of services provided by the treatment resource. All SAP services shall be provided by **CONTRACTOR** on a fee-for-service basis.
- 3.5.20 Audio Library. **CONTRACTOR** shall provide toll-free access to an audio library containing five hundred (500) topics covering a variety of work/life issues, including a variety of topics in Spanish.
- 3.5.21 Web-based Services. **CONTRACTOR** shall provide standard web-based information and services that support other services referenced in the CONTRACT and/or EXTENSION CONTRACT. Although every effort will be made to ensure accuracy of content developed by both **CONTRACTOR** and its subcontractors, **CONTRACTOR** cannot guaranty the accuracy, reliability, completeness or timeliness of the content. **CONTRACTOR** does not endorse the content on any third-party web sites. **CONTRACTOR** is not responsible for the content of linked third-party web sites or sites framed within the **CONTRACTOR** web site. **CONTRACTOR** will make reasonable efforts to

ensure that content controlled by **CONTRACTOR** is accurate and appropriate, but **CONTRACTOR** assumes no responsibility for how the content is interpreted or used. The content provided on the **CONTRACTOR** web site is general in nature and is intended to be used for informational purposes only. This content should not be treated as a substitute for medical, psychiatric, psychological or behavioral healthcare treatment.

- 3.5.22 Promotional Materials. Upon request, **CONTRACTOR** shall provide to the **CITY**, free of charge, **CONTRACTOR'S** standard promotional materials describing the Services available to Plan Participants under this Agreement. In the alternative, and upon request, **CONTRACTOR** shall assist the **CITY** in designing and producing a customized brochure or other literature describing Services available hereunder. Any and all costs and expenses associated with the design and printing of such customized brochures or literature shall be paid by the **CITY** independent of this EXTENSION CONTRACT. **CONTRACTOR** shall also provide to the **CITY**, free of charge, one (1) annual home mailing, to be accomplished prior to August 1, 2002, announcing the plan changes contained in this EXTENSION CONTRACT as well as the availability of the downtown counseling location provided for in Section 3.12 of this EXTENSION CONTRACT. The home mailing shall be sent to all of the Eligible Employees.

VI.

Section III. Scope of Services is hereby amended by deleting subsection 3. 8 relating to start-up services because those services were provided in the first year of the CONTRACT and are no longer needed.

VII.

Section VIII. PAYMENT FOR SERVICES, 8.1 of the CONTRACT is hereby amended to read as follows:

- 8.1 In consideration for the professional services to be performed by the **CONTRACTOR**, as stated herein, the **CITY** shall pay to the **CONTRACTOR** as follows:

Each month, the **CITY** shall verify to the **CONTRACTOR** the number of its Employees, as "Employee" is defined in Section 2.3 of the CONTRACT.

Based upon the number of Employees provided by the **CITY**, the **CONTRACTOR** shall bill the **CITY** each month at the rate of \$1.88 per employee per month.

VIII.

All other terms, conditions, covenants, and provisions of the CONTRACT approved by Ordinance No. 90050 passed and approved on July, 1999, remain in effect save and except for the sections specified above which the undersigned parties agree are hereby amended.

IX.

All said terms, conditions, covenants and provisions herein or as previously agreed to shall comply with all federal, state and local laws and regulations.

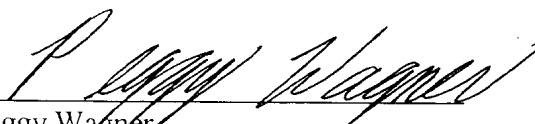
EXECUTED this _____ day of _____, 2004.

(EFFECTIVE DATE: August 1, 2004)

CITY OF SAN ANTONIO

EMPLOYEE ASSISTANCE
PROGRAMS INTERNATIONAL, LLC,
A SUBSIDIARY OF HORIZON
BEHAVIORAL SERVICES, INC.

Terry M. Brechtel
City Manager



Peggy Wagner
Chief Operating Officer

APPROVED AS TO FORM:

Kathleen Finck
Assistant City Attorney