



DISTRICT SCHOOL BOARD OF PASCO COUNTY

Kurt S. Browning, Superintendent of Schools

7227 Land O' Lakes Boulevard • Land O' Lakes, Florida 34638

Department of Purchasing
Michael J. Woodall, CPPO, Purchasing Agent
813/ 794-2221 Fax: 813/ 794-2111
727/ 774-2221 TDD: 813/ 794-2484
352/ 524-2221 e-mail: mwoodall@pasco.k12.fl.us

December 4, 2012

MEMORANDUM

TO: Honorable School Board Members

FROM: Michael J. Woodall, CPPO, Purchasing Agent *MJW*

SUBJECT: Renewal of Direct Negotiated Contract
CareHere LLC for Health Management Services

On August 17, 2010, the Board approved an agreement with CareHere to manage the District's Health Centers. The contract has a term of five (5) years, and is renewable annually at the mutual agreement of the parties. The second year of the agreement, approved November 1, 2011, will expire on December 31, 2012. The contract is on file in the Purchasing Department.

Please see the attached memo from Mary Tillman, Director of Employee Benefits and Risk Management, for detailed information regarding the significant benefits this contract brings to the District. At Ms. Tillman's request, Purchasing has requested that CareHere verify their willingness to enter into the third year of the contract. CareHere has agreed in writing (attached) to do so.

Operating costs for all three (3) health centers, paid from District insurance funds, have averaged \$250,000 per month, or \$3 million, for the past year. Ms. Tillman anticipates this will be the cost for the next contract term.

The District is permitted to negotiate for services of this nature under Florida Administrative Code 6A-1.012(15). We are requesting Board approval of the contract renewal for its third year, January 1, 2013 – December 31, 2013. Should you have any questions or concerns, please feel free to contact Ms. Tillman or me at your earliest convenience.

MJW/az
Attachments

Date/Time: November 28, 2012 10:28:00

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District School Board of Pasco County

7227 Land O' Lakes Boulevard • Land O' Lakes, Florida 34638 • 813/ 794-2000

Heather Fiorentino, Superintendent

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Employee Benefits, Assistance & Risk Management

Mary Tillman, Director

813/ 794-2759 Fax: 813/ 794-2173

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352/ 524-2759 e-mail: mtillman@pasco.k12.fl.us

DATE: December 4, 2012

TO: Michael Woodall, Purchasing Agent

FROM: Mary Tillman, Director of Employee Benefits *Mary H. Tillman*

RE: Renewal of Direct Negotiated Contract
Health Center Management Company – CareHere, LLC

On August 6, 2010, the Board approved an agreement with CareHere to manage the District's Health Centers. The contract has a term of 5 years and is renewable annually at the mutual agreement of the parties. The second year of the agreement will expire on December 31, 2012. Since that date, the District in partnership with CareHere has opened three employee health centers. They are located on the campuses of Centennial Middle, Gulf High and Land O Lakes High.

As of June 30, 2012, over 4,600 employees had visited one of the health centers at least once. This total accounts for over 62% of the District's insured employees. Insured employees and their covered dependents receive services including primary and specialist care, allergy shots, health screenings, health risk assessments (including biometrics), 24/7 nurse line and wellness activities, including access to a registered dietician and exercise physiologist. Over 27,000 generic prescriptions have been distributed at no out of pocket cost to the employee.

In addition, the health centers are providing drug/alcohol testing related to the reasonable suspicion policy, bus driver physicals, Hep B vaccinations to eligible employees, and workers' compensation services. The health centers have provided over 600 workers' compensation visits in the 2012 calendar year through September at a significantly reduced cost from outside practitioners' visits. Also "post offer-pre employment tests" (POET) are provided for new applicants for physically demanding jobs in departments such as maintenance, courier service, warehouse and food and nutrition services. A total of 155 applicants have been screened through the POET program in January – September of 2012. We are tracking employees who are hired after a POET to compare the number and severity of workers' compensation claims in this group as compared to employees hired prior to the POET.

Overall, response to the health centers has been very positive. For calendar year 2011, medical claims decreased by 4% in a time period where medical trend was 7% to 8%. In addition, CareHere has provided a full time on-site wellness coordinator, who is responsible for managing and leading various wellness programs going on around the District.

The District pays an administrative fee to CareHere of \$23 per month for each employee. The District is also responsible for the operating costs of the health centers, including payroll for medical personnel, supplies, and utilities. These expenses are billed "at cost" to the District from CareHere; the medical personnel are not be Board employees. Monthly operating costs, paid from District insurance funds, for all three health centers have averaged \$250,000 per month.

At this time, I am requesting your assistance in obtaining the Board's approval of the second year of the contract for the term January 1, 2013 through December 31, 2013. As always I appreciate your assistance and that of your staff during this process.



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DIRECT NEGOTIATED CONTRACT WITH CAREHERE LLC
HEALTH CENTER MANAGEMENT SERVICES

X

Yes, I agree to renew the above-referenced contract, under existing terms and conditions, with the District School Board of Pasco County. The contract term will be January 1, 2013 – December 31, 2013.

No, I do not agree to renew the above-referenced contract with the District School Board of Pasco County.

COMPANY NAME:

SIGNATURE: _____

TYPED NAME AND TITLE: _____

TELEPHONE (WITH AREA CODE): _____

FAX NUMBER (WITH AREA CODE) _____

E-MAIL ADDRESS FOR GENERAL COMPANY CONTACT: _____

DATE: _____

The company certifies, by submission and signature on this renewal form, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction per the provisions of Florida Statute 287.133(2)(a).

PLEASE RETURN VIA FAX OR E-MAIL TO:

DISTRICT SCHOOL BOARD OF PASCO COUNTY
Purchasing Dept.
Attention: Arlene Zimney, Buying Manager
(813) 794-2504 phone
azimney@pasco.k12.fl.us