

DEPARTMENTAL MATTERS

INDIAN RIVER COUNTY

MEMORANDUM

To: Jason Brown
County Administrator

From: Suzanne Boyll *svb*
Human Resources Director

Date: June 24, 2022

Subject: First Amendment to SurgeryPlus Services Agreement Extending One Year Introductory Rate of \$3.00 Per Employee Per Month (PEPM) for the Upcoming Plan Year

Background

Indian River County offers a Group Health Plan to eligible employees, retirees and dependents of the Board of County Commissioners, Sheriff's Office, Clerk of Circuit Court, Property Appraiser, Tax Collector and Supervisor of Elections. The plan performance is reviewed throughout the year and opportunities for cost savings and benefit enhancements or modifications are reviewed, evaluated, and presented to the Board of County Commissioners for consideration.

On May 11, 2021, the Board of County Commissioners approved the addition of an enhanced surgery benefit through SurgeryPlus. SurgeryPlus is a supplemental benefit for non-emergent surgeries using a national network of Surgeons of Excellence that have been credentialed by SurgeryPlus. The overall goal of the program is to improve quality and outcomes for plannable surgical procedures and also to reduce overall costs to the plan and covered members.

Under SurgeryPlus, group health plan participants have an additional option to choose from when seeking a provider to perform certain non-emergent surgeries. The types of procedures by category are:

- Joint replacement & Revision
- Spine
- Orthopedic
- Cardiac
- Gynecology
- Hernia Repair
- Ear, Nose & Throat (ENT)
- Gastroenterology (GI)
- Gallbladder
- Thyroid
- Pain Management Procedures

The SurgeryPlus network of providers is nationwide, which means that all of our group health plan participants (employees, retirees, and dependents) have access to obtain services at the SurgeryPlus Centers of Excellence.

The agreement with SurgeryPlus was effective July 1, 2022 and provided for a fixed fee \$4.00 PEPM with a reduced introductory rate of \$3.00 PEPM + .25 PEPM marketing fee. This reduction is termed a Network Use Fee discount. Under our initial agreement, the fee reduction was scheduled to end on June 30, 2022 and the rate would increase to \$4.00 PEPM.

However, staff requested that SurgeryPlus extend the Network Use Fee reduction for the upcoming plan year through September 30, 2023 and SurgeryPlus has agreed. This is a projected savings of approximately \$23,464 ($\$1 \times 14 \text{ months} \times 1676 \text{ enrolled employees}$).

Funding

Funding for SurgeryPlus administrative fees, claims, and approved travel costs, would be from the group insurance trust.

Recommendation

Staff respectfully requests the Board of County Commissioners approve the First Amendment to the SurgeryPlus Service Agreement providing for an extension of the Network Use Fee discount through September 30, 2023, and authorize the Chairman of the Board to execute the Amendment.

Attachment: First Amendment to SurgeryPlus Services Agreement
SurgeryPlus Final Signed Agreement effective July 1, 2021