



Evelyn Minor-Lawrence  
Director

DEPARTMENT OF HUMAN RESOURCES

PUBLIC SERVICES BUILDING  
2051 Kaen Road | Oregon City, OR 97045

9/26/2023

BCC Agenda Date/Item: \_\_\_\_\_

Board of County Commissioners  
Clackamas County

**Approval of an Amendment to a Personal Services Contract with Standard Insurance Company for Paid Family and Medical Leave equivalent plan and leave administration services. Amendment value is \$11,090,123 for 5 years. Funding through employee contributions and allocated costs, which may include a small portion of General Funds.**

<b>Previous Board Action/Review</b>	2/8/2022: BCC approval of Benefit Renewals for 2022, including Disability benefits under original contract		
<b>Performance Clackamas</b>	1. Which indicator of success does this item affect? Build Trust through Good Government		
<b>Counsel Review</b>	AN	<b>Procurement Review</b>	Yes
<b>Contact Person</b>	Kristi Durham	<b>Contact Phone</b>	503-742-5470

**EXECUTIVE SUMMARY:** The purpose of this Amendment is to approve new terms and services of the Standard Insurance Company Contract.

Clackamas County's Leave Administration team has administered federal, state and county leave benefits for our workforce.

Employee leave-related regulations and benefits continue to evolve, bringing increased complexity and risk to program administration. Oregon's introduction of Paid Family and Medical Leave is one of the most recent changes, generating significant employer-related challenges while providing a broad benefit to workers across the state.

The County considered three options to ensure compliance with this new law: adopt the state program, self-administer and fund an equivalent plan, or offer a fully insured equivalent plan and outsource its administration. Ultimately, the County determined to move forward with utilizing a fully insured equivalent plan and outsource its administration based on a number of factors, including the current state of its Leave Administration program.

The County's Leave Administration program lacked modern approaches to program administration in its processes and technology, resulting in heavy reliance on manual processes and workaround solutions. This has led to:

- Diminished customer experience
- Errors in reporting and compliance

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- Unnecessary risk exposure
- Limited time for strategic efforts

Adopting the state program would have added yet another employee leave to the existing load, further increasing risk and complexity of leave administration without providing additional resources, efficiencies or risk mitigation for the County. In addition, this option would increase staffing and technology requirements within the program in order to meet our obligations under all leave and disability benefit areas.

By leveraging our current employee disability benefits carrier and third-party administrator The Standard for all leave and disability administration, the County is able to ensure compliance with Paid Family and Medical Leave requirements, as well as improve customer experience, provide effective coordination of benefits, gain access to accurate and timely data and reporting, and introduce comprehensive compliance, audits and controls for all leave and disability benefit administration. This will also allow for a transformation of the in-house leave administration team with renewed focus on supporting organization-wide productivity and employee engagement efforts.

**RECOMMENDATION:** Staff recommends approval of this contract amendment.

**ATTACHMENT:** Amendment STANDARD Insurance - updated-8.21

Respectfully submitted,  
Evelyn Minor-

Lawrence, IPMA-CP

Evelyn Minor-Lawrence

Director of Human Resources

Digitally signed by Evelyn Minor-  
Lawrence, IPMA-CP  
Date: 2023.09.20 12:24:13 -07'00'

**AMENDMENT  
TO THE CONTRACT DOCUMENTS WITH STANDARD INSURANCE  
Contract #8023**

This amendment is entered into between **Standard Insurance Company** (“Contractor” or “Standard”) and Clackamas County (“County” or “Customer”) and shall become part of the Contract documents entered into between both parties on or about January 1, 1988 (“Contract”).

The Purpose of this Amendment is to make the following changes to the Contract:

1. **Scope of Work** is hereby amended to add the following: Standard shall develop and implement disability coverage plans and services, described as policy 604303-Z, together with the additional work further described in Exhibit A.

Except as expressly amended above, all other terms and conditions of the Contract shall remain in full force and effect. By signature below, the parties agree to this amendment, effective upon the date of the last signature below.


**Standard Insurance Company**

**Clackamas County**

CrisDee Plambeck                      08/18/2023  
Authorized Signature                      Date  
CrisDee Plambeck  
AVP, Product & Strategy Support  
Printed Name

\_\_\_\_\_  
Chair    Date  
  
\_\_\_\_\_  
Recording Secretary

**Approved as to From**

                      08/21/2023

**Exhibit A**  
**Scope of Work**

**SERVICES SCHEDULE**

**I. Service Parameters**

- 1) The Standard and Clackamas County (the Customer) shall continue to maintain Disability, Absence, ADAAA and Oregon PFMLI Plan and Administration Responsibilities (“Plan Offerings” hereafter) by agreement, as recorded below, in the customer concept of operations, and the project plan when applicable (e.g., implementation). A copy of each, with updates, shall be available to Customer upon reasonable request. On an ongoing basis, The Standard will update services based on Customer-directed changes as mutually agreed upon. Any changes shall not modify or have precedence over the terms of this Agreement, unless expressly agreed to, in writing, and signed by both parties.

**A. Staffing and Resources**

**Responsibilities of The Standard:**

- Assign implementation project manager and implementation resources to support The Standard-owned implementation tasks.
- Assign implementation resources who will be assigned The Standard-owned implementation tasks

**Responsibilities of Customer:**

- Assign resources to support Customer-owned implementation tasks.

**B. Project Management Resources and Tools**

**Responsibilities of The Standard:**

- Create and maintain project plan, inclusive of The Standard and Customer tasks and deliverable dates, and provide project management services required for the successful implementation of the proposed solution.
- Schedule and facilitate project meetings.
- Maintain open items list and risk tracker including all actions, decisions, questions and risks (updated as mutually agreed upon with Customer).
- Define and document contacts and procedures for issue resolution and project sign-off.
- Partner with Customer and/or Third Parties to identify and create risk mitigation plan (if needed).
- Share implementation documents via email.

**Responsibilities of Customer:**

- Attend conference calls and other meetings mutually agreed to by The Standard and Customer during the implementation period.
- Manage deliverables specifically related to Customer’s responsibilities, oversee transition from current in-house benefit administration, thoroughly test the system during that phase of implementation and provide support to The Standard onboarding team by providing requirements and making decisions related to benefit programs being administered by The Standard.

**C. Requirements**

**Responsibilities of The Standard:**

- Provide list of raw materials required from Customer (e.g., benefit guides, census data, SPDs, payroll calendars, etc.).
- Conduct discovery session(s) with Customer to define requirements for all in scope services including but not limited to:
  - Data conversion sources and specifications
  - HRIS/Payroll file specifications including format, frequency, method of transmission, pay schedule(s) and business rules
  - Plan offering and eligibility rules
  - Employee/Employer contributions, credits, surcharges and rate structures
  - Plan design data
  - Business rules
  - Member experience specifications (e.g., authentication criteria, engagement pieces, delivery method, The Standard layout/content, opening/closing messages for employee events, content visibility rules, etc.)
  - Data integration specifications (e.g., EDI, SSO, web-services and including format, frequency, method of transmission and business rules)
  - Reporting needs
  - Administrator access rules
- Inform Customer of specifications that fall outside of The Standard's standard services (including additional fees if applicable).

**Responsibilities of Customer:**

- Deliver raw materials to The Standard.
- Participate in discovery session(s) to facilitate requirements definition.
- Approve defined requirements.

**D. Data Conversion****Responsibilities of The Standard:**

- Accept conversion data from defined sources.
- Develop and test import configuration used to import data to The Standard.
- Test and verify import of data against source data.
- Resolve errors identified where The Standard functionality is the root cause.

**Responsibilities of Customer:**

- Provide conversion data to The Standard, in mutually agreed upon format, including:
  - Employee census/indicative data
  - Inactive participant indicative data
  - Current benefit coverage data
- Review and resolve errors reported by The Standard where Customer is the root cause.

**E. Configuration and Testing****Responsibilities of The Standard:**

- Establish up to one (1) ongoing eligibility file feed.
  - Configure The Standard system, integrations and payroll files based on specifications defined with Customer for all services in scope.
  - Develop test plan and execute testing of The Standard configuration; applies to The Standard and Customer testing activities, inclusive of test scenarios identified from Customer-defined specifications and test cases for defined scenarios.
  - Facilitate validation and testing sessions and provide Customer access to test environments for Customer validation, user acceptance testing and end-to-end testing activities.

- Provide test files to Customer.
- Track issues identified and provide resolution plan.
- Make corrections to The Standard based on issues identified.
- Establish custom and ad hoc reporting.

**Responsibilities of Customer:**

- Review and provide additions to The Standard-identified test scenarios, if required (e.g., historical exception populations).
- Provide imports to The Standard for testing process (e.g., HRIS file, payroll data, etc.).
- Process test files received and provide results to The Standard.
- Participate in validation, Customer acceptance testing and end-to-end testing activities.
- Resolve issues identified where Customer system(s) or processes are the root cause.
- Provide sign-off for Go-Live readiness following testing process.
- Provide final approval for system set up, which includes but is not limited to plan information, company structure, plan eligibility rules, plan pricing/rates, employee access events, employee access rights, administrator access and integrations.

F. **Administrator Training**

**Responsibilities of The Standard:**

- Provide training modules (available ongoing) and assist Customer in using The Standard functionality based on services in scope.
- Provide administrators with access to online help from The Standard system.

G. **Transition to Go-Live**

**Responsibilities of The Standard:**

- Create transition plan with Customer including tasks, delivery dates and responsible parties for all activities necessary to complete service transition.
- Develop and execute Go-Live checklist including all operational transition, data migration, customer service center related processes, system readiness, etc.
- Create standard operating procedures in support of Standard ongoing services.
- Maintain document for any interim solutions or manual support.

**Responsibilities of Customer:**

- Execute transition plan tasks aligned to Customer.
- Create standard operating procedures in support of ongoing Customer owned services.
- Maintain document for any interim solutions or manual support.

H. **Enrollment, Eligibility & Claim Services**

2) Overview

**Responsibilities of The Standard:**

Maintain administration services based on applicable regulatory and Customer-defined plan rules (such as those outlined on the Absence Management Questionnaire).

- (e.g., eligibility rules, rates and services, etc.).
- Respond to and implement Customer-directed changes, as mutually agreed upon.
- Create and provide plan document.

**Responsibilities of Customer:**

- Define plan design and plan rules.
- Serve as plan fiduciary; Customer is responsible for compliance with applicable laws and regulations.
- Review and approve plan document.
- Perform vendor management.
- Provide Customer-directed changes.

3) Covered Populations**Responsibilities of The Standard:**

- Administer populations including:
  - Active employees (full-time, part-time, temporary, seasonal, fixed term, and non-union/union)

4) Plan Offering**Responsibilities of The Standard:**

- In addition to current Disability benefit administration, administer eligibility, enrollment, claim determination and benefit payments as applicable for plans including:
  - Federal and State Family and Medical Leave (FMLA and OFLA)
  - OR State Crime Victim Leave and Domestic Violence Victim Leave
  - USERRA Leave
  - Oregon Paid Family Medical Leave (PFML)
  - Americans with Disabilities Act Amendments Act (ADAAA)
  - Leaves outlined in applicable Collective Bargaining Agreements (CBAs) such as Educational and other Leave of Absence

5) Employee Self-Service Functionality**Responsibilities of The Standard:**

- Provide website using responsive web design, 24/7 (except during scheduled downtimes).
- Provide first-time user functionality that allows members to establish their own unique sign-on and password.
- Allow members to update indicative data.
- Require system re-authentication after a period of inactivity.

6) Ongoing Data Import Services**Responsibilities of The Standard:**

- Load ongoing eligibility file feed into The Standard via the defined parameters.
- Provide import report including file received, processing details, errors identified and control totals.
- Review errors identified with Customer and manage resolution process.
- Coordinate with Customer to resolve errors identified.

**Responsibilities of Customer:**

- Send eligibility file feed from Customer's HRIS system to The Standard based on agreed-upon transmission parameters.
- Coordinate with The Standard to resolve errors identified.

7) Eligibility Determination and Events Management

**Responsibilities of The Standard:**

- Facilitate the intake process.
- Determine the employee's eligibility for Plan Offerings.
- Send required notifications to the employee: initial packet/eligibility notification, approval/denial notification (including extensions), and return to work letter.
- Gather and review necessary medical information, ensuring that it comes from an appropriate provider/ specialist.
- Track the return-to-work date provided.
- Provide status updates on leaves/claims via Absence Management System, AdminEASE online reporting system and email.
- Provide FICA/W-2 Service.
- Respond to inquiries received via email and/or voicemail within 24-48 hours, depending on complexity and/or research needed.

**Responsibilities of Customer:**

- Provide The Standard's FAQ sheet to employees filing a leave/claim.
- File a leave/claim with The Standard if the employee is unable.
- Relay to The Standard any medical or other information the employee provides to HR or a supervisor that may assist in managing the claim.
- Review and reply within 24 hours to email notifications from The Standard.
- Implement internal procedures to support the leave management process.
- Apply employer policies consistently.

8) Customer Integration**Responsibilities of The Standard:**

- Provide reports including file received, processing details, errors identified and control totals.
- Review identified errors with Customer and manage resolution.
- Resolve errors identified with Customer.
- Assist Customer with one-off or emergency updates.

**Responsibilities of Customer:**

- Send import to The Standard based on agreed-upon transmission parameters.
- Resolve identified errors with The Standard.

9) System Reporting**Responsibilities of The Standard:**

- Provide Customer self-service reporting tool and dashboard including the following for services in scope including:
  - Standard Reports
  - Custom Reports
  - Ad-hoc Reports
- Ensure that security protocol is applied to reporting functionality (i.e., users can only access data as authorized).
- Allow reports generated to be viewed online or exported (e.g. Excel, CSV, PDF).

**I. Billing & Financial Reporting**1) Implementation Services



**Responsibilities of The Standard:**

- Consult with Customer to define and outline process for billing and financial reporting.
- Configure reporting to include variable date parameters.
- Create and verify summary and monthly detail reports.

**Responsibilities of Customer:**

- Provide the following information for set up and ongoing maintenance:
  - Premiums/ASOs
  - Business/organizational reporting needs
  - Billing/payment schedules and rules

2) Ongoing Services**Responsibilities of The Standard:**

- Utilize plan rates in calculation of ASOs/Premiums for the purposes of financial reporting and billing.
- Create and verify monthly detail and summary reports including:
  - Location Detail - includes all employees, coverage for all benefits, and location.
  - Location Summary - summarizes the Location Detail and reflects the actual benefits costs/premiums.
  - Organization Summary - consolidation of each location and reflects the cumulative total benefit costs/premiums for all locations.
- Provide invoices for Customer's review; any changes or adjustments identified will be captured on the next month's cycle.

**Responsibilities of Customer:**

- Accurately report employee lives, volume and premium.
- Review initial invoices and provide adjustments/approve.
- Pay carriers based on final invoices.

J. Compliance**Responsibilities of The Standard:**

- Administer each plan according to plan rules and provisions as provided to The Standard.
- Provide day-to-day compliance support including general information on plan offering issues, industry trends, legislative changes (and impact to administration) and plan offering design issues.
- Update legal notices related to the Services performed under this Agreement as legal/legislative updates occur.
- Ensure state and federally mandated legal notices related to the Services performed under this Agreement are provided to participants when required.

**Responsibilities of Customer:**

- Provide applicable plan rules and provisions to The Standard.
- Ensure state and federally mandated legal notices related to the Services performed under this Agreement are provided to participants when required.