

Board Office Use: Legislative File Info.	
File ID Number	15-2194
Introduction Date	11/04/15
Enactment Number	15-1796
Enactment Date	11/4/15 OS



OAKLAND UNIFIED
SCHOOL DISTRICT

Community Schools, Thriving Students

Memo

To Board of Education
From Jacqueline Minor, General Counsel
Board Meeting Date November 4, 2015
Subject **HUMAN FACTOR INTEGRATOR SERVICE AGREEMENT WITH CLAREMONT PARTNERS**

Action Requested **APPROVAL HUMAN FACTOR INTEGRATOR SERVICE AGREEMENT WITH CLAREMONT PARTNERS**

Background and Discussion

Claremont Partners is being retained to support the District's implementation of the new health benefits agreement with all bargaining units and the establishment of the Health Benefits Governance Board (HBGB) encompassing the District and all its bargaining units. All benefit-related negotiations will now occur through HBGB. Through the HBGB, beginning in 2016-17, the District will contribute an amount toward all employee benefits based on a negotiated formula. The cost of benefits will be paid from this amount. If the cost is less, any remaining amount will be made available for future benefits costs. If the cost is projected to be greater, the HBGB may modify plan designs to reduce the cost or the HBGB may require employees to cover the shortfall. The HBGB Agreement provides the District greater certainty in budgeting for health benefits and provides employees greater control over benefits plan designs and structures.

The term of the Agreement is from September 1, 2015 to August 31, 2018. During the first year, Claremont Partners has agreed to provide services at a cost of .75 cents per employee per month, for a not to exceed annual first year cost of \$40,500. In year two, the cost is \$2.25 per employee per month for an annual not to exceed cost of \$121,500.

Claremont Partners has supported other Districts through the transition to HBGB health benefits structure. The support includes meetings with key internal stakeholders to 1) introduce the program, 2) understand the impact of human factor issues on each stakeholder, and, 3) review health plan coverage and existing health and wellness programs, 4) review and alignment of internal policies and practices, 5) recommendations for policy changes that incorporate the new structure, 6) compliance with medical privacy laws, 7) support of attendance and absence management and 8) creation of comprehensive documentation that summarizes information gathered and decisions made during the planning process and tracks implementation.



Recommendation

**APPROVAL HUMAN FACTOR INTEGRATOR SERVICE AGREEMENT WITH
CLAREMONT PARTNERS**

Fiscal Impact

Funding resource name: General Purpose: year 1, not to exceed \$40,500; year 2, not to exceed \$121,500

Attachments

- Agreement

	CLAREMONT PARTNERS 1050 MARINA VILLAGE PARKWAY SUITE 203 ALAMEDA, CALIFORNIA 94501 TELEPHONE: 800.834.3773
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HUMAN FACTOR INTEGRATOR SERVICE AGREEMENT

This Agreement (this "Agreement").is made and entered into by and between Oakland Unified School District (hereafter "OUSD"), having a principal place of business at 1000 Broadway, Suite 680, Oakland, CA94607, and Claremont Partners, Inc., a California corporation, having a principal place of business at 1050 Marina Village Parkway, Suite 203, Alameda, CA 94501 (hereinafter "CP").

WHEREAS, CP provides Human Factor Integrator services and OUSD wishes to procure CP's services under the terms of this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and sufficient consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Term and Termination

- a. The term of this Agreement shall be September 1, 2015 (the "Effective Date") to August 31, 2018. Prior to expiration of a given term, this Agreement may be terminated as provided in Section 1 below.
- b. Either party may terminate this Agreement at any time for any reason or for no reason upon sixty (60) days written notice to the other party. In the event of any termination, OUSD shall receive a pro-rated refund of any fees paid to CP covering the time period beyond the effective termination date. OUSD's obligation to pay for services rendered hereunder shall survive any termination of this Agreement.
- c. Either party may terminate this Agreement immediately if the other party is in breach of this Agreement and has not cured such breach within thirty (30) days of receiving notice of such breach from the terminating party.
- d. OUSD may terminate this Agreement for cause with no prior notice. Cause shall include, but not be limited to, breach of the agreement by CP; the inaccuracy or falsity of any representation of warranty made by CP; CP's loss of any license or permit required to provide the services, or its inability to perform services by virtue of any law or court order; or if CP or any of its offices or agents is charged with any criminal conduct.

2. Services

CP shall provide services to OUSD as described in Exhibit A, attached hereto and incorporated by reference herein.

3. Compensation

OUSD shall compensate CP for services rendered hereunder according to the terms described in Exhibit B which is attached hereto and incorporated by reference herein. Payment of all monies owed hereunder shall be made payable to "Claremont Partners, Inc." and forwarded to: 1050 Marina Village Parkway, Suite 203, Alameda, CA 94501.

4. Confidentiality

- a. CP agrees to operate a system of records on individuals in accordance with the Privacy Act of 1974, Public Law 93-579, California's Confidentiality of Medical Records Act, Civil Code section 55 *et seq* and the Health Insurance Portability and Accountability Act of 1996, Public Law 104-91. Records, including any Protected Health Information, whether recorded or not, pertaining to the identity, diagnosis or treatment of any employee or family dependent which are maintained in connection with the performance of this Agreement shall be confidential and only disclosed under the following circumstances:
 - i. When disclosure is authorized by written and signed consent of the employee or family dependent such consent must state:
 - (1) The name of person or organization to whom disclosure is to be made.
 - (2) The specific type of information to be disclosed.
 - (3) The purpose and need for such disclosure.
 - ii. When an employee's records are subpoenaed by a court and are not otherwise protected by professional privileged relationships.
- b. CP agrees to execute a Business Associate Privacy and Security Agreement with OUSD, compliant with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-91.

5. Relationship of the Parties

- a. It is mutually understood and intended that CP will at all times perform as an independent contractor, exercising independent judgment and control in the manner and means of fulfilling its obligations under this contract. Further, CP shall be solely responsible for all wages, benefits, insurance and legal obligations owed to employees or subcontract providers of CP.
- b. CP shall have no duty or power to act or purport to act on behalf of OUSD in connection with the Agreement; that CP's agents, officers and employees shall not be construed to be the agents, officers or employees of OUSD for any purpose whatsoever; and that CP shall not be deemed to be the agent of OUSD for any purpose whatsoever.

6. Indemnification

CP agrees to defend, indemnify and hold harmless OUSD and its directors, officers, employees and agents from and against any and all liabilities, losses, damages, claims and expenses, including costs of attorney's fees, arising out of the injury, death or loss to any person or persons resulting from the negligence, intentional misconduct or omission of CP or its directors, officers, Participating Providers, employees or agents, but also arising out any breach of contract, inaccuracy or falsity of any CP representation or warranty, or any other act of CP.

7. Notice

Any notice required to be given pursuant to the terms and provisions of this Agreement shall be in writing, postage prepaid, and shall be certified mail, return receipt requested, to CP or OUSD at the addresses below. The notice shall be effective on the date indicated on the return receipt.

To CP at: Tom Bjornson Claremont Partners 1050 Marina Village Parkway, Suite 203 Alameda, CA 94501	To OUSD: Oakland Unified School District Office of General Counsel 1000 Broadway, Suite 680 Oakland, CA 94607
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7A. Invoices

Invoices shall be emailed to OUSD at

jenine.lindsey@ous.d.org

and

anjanette.duckworth@ousd.org

8. Entire Agreement

This document is the entire agreement of the parties and supersedes any prior agreement, written or oral, concerning the subject matter herein.

9. Representations and Warranties

CP represents and warrants that it will at all times comply with all applicable federal, state and local laws; that it holds and will continue to hold all licenses, permits, certificates, etc. to perform the services under this Agreement.

10. Governing Law

The law of the State of California is the law governing this Agreement.

11. No Assignments

CP has no right to assign its rights or duties under this Agreement. Any assignment or attempted assignment shall be construed to be null and void and will be a breach of the Agreement.

12. Amendments in Writing

The Agreement should provide that it may be amended only in a writing signed by the parties.

13. Attorney Fees

In any action incurred to enforce this Agreement or defend services provided according to the Agreement, the prevailing party shall be entitled to reasonable attorney's fees.

14. Insurance Coverage

Claremont agrees to carry and keep in force at all times adequate professional and general liability insurance, which shall include Errors and Omissions coverage, in the minimum amount of one million dollars (\$1,000,000) for each individual claim made and three million dollars (\$3,000,000) aggregate. Claremont may not cancel this policy without providing the Trust thirty (30) days written notice prior to the proposed cancellation date.

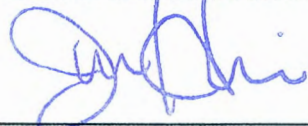
CLAREMONT PARTNERS

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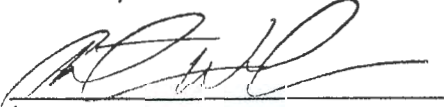


Partner, Claremont Partners Inc

OAKLAND UNIFIED SCHOOL DISTRICT

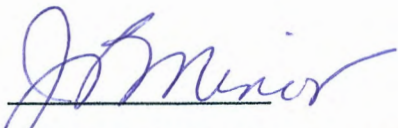


President, Board of Education



Superintendent and Secretary, Board of Education

Approved as to Form



Jacqueline Minor, General Counsel

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By: OA

EXHIBIT A– Scope of Services

Internal Stakeholder Meetings	Meetings with key internal stakeholders including senior management, human resources, benefits, risk management, Workers' Compensation, labor leaders, legal, EEO, security, etc. The purpose of these meetings is to 1) introduce the program, 2) understand the impact of human factor issues on each stakeholder sphere of influence and accountability, and, 3) review health plan coverage and existing health and wellness programs.
Policy Review	Review of internal policies and practices, including leave of absence, employment practices, work discipline, drug / alcohol, organizational change, critical incidents, threats of violence, etc. Recommendations are made for policy changes that incorporate
Metrics	HIPAA compliant metrics for each external vendor are established, which will be reviewed on a quarterly basis. In addition, metrics are established for human factor productivity issues and risk management functions. This includes metrics for absence management, work discipline, employment practices, turnover, and other internal operating functions.
External Vendor Meetings	Meetings with external vendors, such as EAP, disease management, wellness and health promotion, mental health benefit administrator, health plan, Workers' Compensation administrator, disability, occupational health, drug testing, etc. to review practices, utilization and outcomes. The purpose of these meetings is to establish program goals, a system of cross-referrals and
HFI Blueprint	<p>Upon conclusion of the planning process, a HFI Blueprint is produced. This comprehensive document summarizes information gathered and decisions made during the planning process. It includes:</p> <ol style="list-style-type: none"> 1) Goals for each health and wellness vendor and internal operating function; 2) Implementation plan that includes a strategy for program promotion among internal stakeholders and engagement of external vendors; 3) A Response System that incorporates Referral Triggers and other HFI tools. The Response System has a particular focus on the identification and intervention of co-morbid behavioral health conditions such as depression and substance abuse; 4) Recommendations for modifying various policies and

Data Mining	Customized data mining from medical, pharmacy and behavioral health claims, including semi-annual review and trend analysis. Workers' Comp and absence data will also
Referral Triggers	<p>Referral Triggers proactively and systematically identify at-risk employees across the spectrum of health & wellness, productivity and risk management issues. Referral Triggers lead to engagement and motivation of at-risk employees and employer stakeholders to recognize and act on problems. Once recognized, an individualized action plan is implemented that incorporates existing employer resources and is most likely to produce the desired outcome.</p> <p>Referral Triggers will be customized to OUSD's needs. They will create an interface between internal operating functions and external vendors. Examples of Referral Triggers include formal work discipline, employee filing an employment practices complaint, identification of a co-morbid mental health issue by</p>
Program Promotion	HFI includes a customized, sustained cross-program promotional effort. This involves coordinating promotion of the various external vendors, as well as increasing management /labor awareness and use of available resources
Program Consultation	Claremont consultants are available on an on-going basis to review and enhance the HFI Blueprint. Through this consultative process, Claremont keeps internal stakeholders and external vendors engaged and working towards the HFI goals
Reporting & Measurement	In addition to quarterly progress reports, an annual narrative / quantitative report evaluates program accomplishments and sets goals for the upcoming year. The report also synthesizes outcome data from the various external health and wellness

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EXHIBIT B - FEE SCHEDULE

I. Monthly Fees

Each month, OUSD shall pay to CP the relevant Monthly Fee, as calculated according to the following fee schedule. Monthly Fees are due on the first business day of the calendar month for which the relevant Monthly Fee is calculated.

Coverage Period	Total Employees ¹	Rate ²	Monthly Fee
9/1/15 to 8/31/16	Calculated monthly (as described	\$0.75 per employee per month	Calculated monthly (as described
9/1/16 to 8/31/17	Calculated monthly (as described below)	\$2.25 per employee per month	Calculated monthly (as described below)
January 1, 2017 to December 31, 2017	Calculated monthly (as described below)	\$2.33 per employee per month	Calculated monthly (as described below)

¹ **"Total Employees"** means the total number of full-time Employees and Retirees, as calculated on the first day of each calendar month in the relevant Coverage Period. OUSD is responsible for calculating the Total Employees and shall forward to CP each such calculation whenever Monthly Fees are due. OUSD shall warrant to CP that each such calculation is true and correct.

² **"Rate"** includes a Per Employee Per Month (PEPM) fee.