

AGENDA ITEM NO.

COUNCIL MEETING 06/12/07

APPROVED BY


DEPARTMENT DIRECTOR

CITY MANAGER

June 12, 2007

FROM: TERRY A. BOND, Director of Personnel Services
Personnel Services Department

BY: LESLIE SCHOENER, Benefits Administrator
Personnel Services Department

SUBJECT: APPROVAL OF THE AGREEMENT BETWEEN THE CITY OF FRESNO AND AVANTE
BEHAVIORAL HEALTH TO CONTINUE TO PROVIDE AN EMPLOYEE ASSISTANCE
PROGRAM TO CITY OF FRESNO EMPLOYEES

KEY RESULT AREA

Customer Service, Employee Satisfaction, Financial Management

RECOMMENDATIONS

Staff recommends that Council approve the attached Agreement between the City of Fresno and Avante Behavioral Health to continue to provide an Employee Assistance Program (EAP) to City of Fresno employees.

EXECUTIVE SUMMARY

An EAP is designed to help employees and their families identify, assess and resolve issues affecting their personal or work life. Avante Behavioral Health has been providing the EAP benefits since July 18, 2005. It is the City's desire to continue EAP services provided by Avante Behavioral Health.

KEY OBJECTIVE BALANCE

Approval of the Agreement with Avante Behavioral Health balances the key objectives of Customer Service, Employee Satisfaction and Financial Management. Employees are provided with easy access to short term and long term mental health benefits, continuity of mental health care and the City's costs are controlled.

BACKGROUND

In considering this item, Council has asked for additional information which explains the differences between Psy-Care and Avante Behavioral Health. In brief, Psy-Care, a California Corporation, contracts with the Fresno City Health and Welfare Trust (Trust) to provide psychiatric and psychological care to employees as part of their health care benefit; Avante Behavioral Health is an EAP providing short-term mental health services as a benefit to employees and maintains an agreement with the City of Fresno.

To articulate the relationship between these two entities, historical information in greater detail is provided. The San Joaquin Independent Practice Association, d.b.a. Psy-Care, was organized in 1991 by a group of Fresno Psychiatrists and Psychologists to meet the growing challenges of managed mental health care.

It was their position that quality mental health services could be provided by a local organization more effectively, and at a much more reasonable cost to the public than large national carriers.

Psy-Care is owned by 20 Fresno mental health professionals with a network of over 175 mental health clinicians who provide mental health services to self-insured trusts and employers. Psy-Care was awarded the contract with the Trust when an out of area organization was unable to meet the requirements of the Trust.

REPORT TO THE CITY COUNCIL

Approve the Agreement between the City of Fresno and Avante Behavioral Health

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The contract between the Trust and Psy-Care has been a mutually beneficial relationship throughout the years. There have been minimal rate increases during the tenure of the contract, and employees have reported a high degree of patient satisfaction.

In 1997, efforts began with a sub-group of the Psy-Care owners to develop a licensed behavioral health plan, based in Fresno and exclusively serving Central Valley businesses. This health plan ultimately became known as Avante Behavioral Health Plan (ABHP), and achieved licensure from the California State Department of Managed Health Care in October 2000. ABHP is the only locally based, licensed, owned and operated mental health organization in Fresno and the Central Valley. ABHP provides EAP and Carve-out mental health services to more than 30 different local employers, to include; 3 local municipalities, 2 local school districts, higher educational institutions, public and privately funded employers, large physician groups and law firms.

Of primary concern is the City's ability to provide a cost-effective benefit to City employees which will facilitate access to mental health services and permit continuity of service between the EAP as short term mental health intervention and the seamless transition to the Trust's provider Psy-Care for more extensive treatment.

FISCAL IMPACT

The current budget contains adequate funds to provide this service for all employees. This agreement does not increase that allocation. The total cost of the Agreement shall not exceed \$100,000 for the two year period.

June 7, 2007

Attachment: Agreement between City of Fresno and Avante Behavioral Health