

1 [Contract Amendment - P & A Administrative Services, Inc. - Administers COBRA, AB528
2 Programs, Flexible Spending and Health Spending Accounts - Not to Exceed \$4,667,457]

3 **Resolution approving the 10th Amendment to an agreement between the City, acting by**
4 **and through San Francisco Health Service System (“SFHSS”), and P & A**
5 **Administrative Services, Inc. (“P & A”) to administer COBRA, AB 528 programs, health**
6 **care spending accounts, and flexible spending accounts, to extend the term by 18**
7 **months for a total term of approximately 12 years from March 1, 2015, through**
8 **December 31, 2026, and to increase the amount by \$555,000 for a total not to exceed**
9 **amount of \$4,667,457; and to authorize the Executive Director of SFHSS enter into**
10 **amendments or modifications to the contract amendment that do not materially**
11 **increase the obligations or liabilities to the City and are necessary to effectuate the**
12 **purposes of the contract amendment or this Resolution.**

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14 WHEREAS, On March 14, 2014, SFHSS issued a Request for Proposals for
15 ‘COBRA/FSA Administration’ (RFP#HSS1402);

16 WHEREAS, P & A submitted a proposal and was the highest qualified scorer; and

17 WHEREAS, SFHSS awarded the agreement to P & A; and

18 WHEREAS, On March 1, 2015, SFHSS and P & A entered into an agreement for P & A
19 to administer COBRA, AB 528 programs, health care spending accounts, and flexible
20 spending accounts for SFHSS (“Original Agreement”); and

21 WHEREAS, The Original Agreement has a term of March 1, 2015 to December 31,
22 2018, and a not to exceed amount of \$889,174; and

23 WHEREAS, The Original Agreement was amended nine times on July 1, 2015,
24 January 1, 2017, April 5, 2018, October 3, 2018, July 31, 2020, July 12, 2021, August 26,

1 2022, August 16, 2023, and December 9, 2024, to extend the term and increase the not to
2 exceed amount; and

3 WHEREAS, SFHSS wishes to amend the Ninth Amendment by extending the term by
4 eighteen months to December 31, 2026, for a total duration of approximately twelve years,
5 and by increasing the maximum expenditure by \$555,000 for a total not to exceed amount of
6 \$4,667,457 (the "Tenth Amendment"), to allow P & A to continue administering COBRA, AB
7 528 programs, health care spending accounts, and flexible spending accounts; and

8 WHEREAS, The Tenth Amendment is consistent with the Civil Service Commission's
9 continuing approval obtained on August 5, 2024, under PSC No. 0151-24-8; and

10 WHEREAS, Charter, Section 9.118(b), requires Board of Supervisors' approval by
11 Resolution of any contract which, when entered into, extends over 10 years, and of any
12 contract which, when entered into, costs the City \$10,000,000 or more; and

13 WHEREAS, The proposed Amendment contained in File No. 250108, is substantially in
14 final form, with all material terms and conditions included, and only remains to be executed by
15 the parties upon approval of this Resolution; now, therefore, be it

16 RESOLVED, That the Board of Supervisors hereby approves the Amendment in
17 substantially the form contained in File No. 250108; and, be it

18 FURTHER RESOLVED, That the Board of Supervisors authorizes SFHSS to make any
19 modifications to the Amendment, prior to its final execution by all parties, that SFHSS
20 determines, in consultation with the City Attorney, are consistent with this Resolution, in the
21 best interest of the City, do not materially increase the obligations or liabilities of the City, are
22 necessary or advisable to effectuate the purposes of the Amendment, and are in compliance
23 with all applicable laws, including City's Charter; and, be it

24 FURTHER RESOLVED, That within 30 days of the Amendment being fully executed
25 by all parties, SFHSS shall submit to the Clerk of the Board of Supervisors a completely

1 executed copy for inclusion in File No. 250108; this requirement and obligation resides with
2 the Department, and is for purposes of having a complete file only, and in no manner affects
3 the validity of approved Amendment.

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