



SUMMARY REPORT

Agenda Date: 3/26/2024

To: Board of Supervisors of the County of Sonoma, State of California, Board of Directors of the Sonoma County Water Agency, The Board of Commissioners of the Community Development Commission, and Board of Directors of the Sonoma County Agricultural Preservation and Open Space District

Department or Agency Name(s): Human Resources

Staff Name and Phone Number: Jamie Bloom, 707-565-2789

Vote Requirement: Majority

Supervisorial District(s): All

Title:

Risk Management Information Systems Contract Amendment

Recommended Action:

Authorize the Director of Human Resources to amend two Participating Entity Service Agreements with PRISM (Public Risk Innovation, Solutions, and Management) for utilization of the ClaimsXpress Risk Management Information System (RMIS), extending the terms through July 31, 2026, at a not to exceed cost of \$157,906.

Executive Summary:

The Risk Management Division of the Human Resources Department utilizes a Risk Management Information System (RMIS). This software program is a database used to administer and track claims, archive claim data, and generate reporting for auditing, actuarial analysis, and statistical evaluation in the General Liability and Workers' Compensation self-insured programs.

Risk Management has two existing agreements with the County's risk sharing pool (PRISM) for the use of this application - one agreement for liability and related claims, and one agreement for workers' compensation claims.

This agenda item requests Board authorization to amend the two agreements for utilization of the ClaimsXpress Risk Management Information System, extending the terms from March 31, 2024, to July 31, 2026, and amending the not to exceed maximum from \$136,815 to \$157,906, for both agreements. Costs for the GL agreement are changing from \$33,871 (12-month term) to \$46,302 (27-month term) and the WC agreement costs are changing from \$102,944 (12-month term) to \$111,604 (27-month term).

Discussion:

The Human Resources Department, Risk Management Division, is responsible for administration of the County's self-insured liability and workers' compensation programs providing coverage to all County departments, agencies, and special districts under the direction of the Board of Supervisors/Directors/Commissioners. A robust Risk Management Information System (RMIS) is critical to support the County in administration and management of tort claims and litigation, case management functions and data support for workers compensation claims management, and claims tracking capability for other programs such as property and medical malpractice claims.

The Board previously authorized the Human Resources Department to execute an agreement for a new RMIS in 2015 (Agenda Item #16, January 27, 2015) for administering liability claims, and authorized a second agreement in 2017 (Agenda Item #6, April 4, 2017) which added a module to administer workers' compensation claims.

The agreements are with PRISM, a Joint Powers Authority risk sharing pool of which the County of Sonoma is a member. As a service to its member public entities, PRISM makes the risk management information system available to its members via sub-license agreements.

In February 2023, PRISM received a 60-day cancellation notice from Insurity LLC, the provider of this software, to cancel support, maintenance, and hosting services. To provide continuity of service to its members, PRISM negotiated a one-year extension of the contract with Insurity LLC for the period April 1, 2023, to March 31, 2024, albeit at a higher cost, and in turn the County amended its agreement with PRISM for the same period. (Board Agenda Item File ID #2023-0953 - September 19, 2023 - authorized first amendments to both agreements increasing the total not to exceed amount for both contracts from \$97,680 to \$136,815 for the contract term April 1, 2023, to March 31, 2024).

After investigating various options for continuity of services at a reasonable cost, PRISM entered into an agreement with CHSI Technologies Corp, dba Spear Technologies ("Spear") to replace the services provided by Insurity LLC. The agreement provides cloud hosting services and related implementation, integration, and maintenance services.

For continued use of the County's RMIS, it is therefore necessary to implement second amendments to the Workers' Compensation (WC) and General Liability (GL) agreements with PRISM for cloud hosting and associated services from Spear, and support services from PRISM. The amendments extend the term of the agreements from the original termination date of March 31, 2024 through July 31, 2026. The amendments increase the not to exceed cost of from \$102,944 (12-month term) to \$111,604 (27-month term) for the WC agreement, and from \$ 33,871 (12-month term) to \$46,302 (27-month term) for the GL agreement, for a combined cost not to exceed \$157,906.

Accordingly, this Board item requests delegated authority for the Human Resources Director to amend the two agreements (GL and WC) for utilization of the ClaimsXpress Risk Management Information System, extending the termination date from March 31, 2024, through July 31, 2026, and amending the not to exceed maximum from \$136,815 to \$157,906, for both agreements.

Strategic Plan:

N/A

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Agenda Date: 3/26/2024

Prior Board Actions:

1/27/2015 (item #16) - Authorized the Director of Human Resources to execute a Participating Entity Agreement with CSAC-EIA (now PRISM) for utilization of a Risk Management Information System for liability claims.

4/4/2017 (item #6) - Authorized the Director of Human Resources to execute a Participating Entity Agreement with CSAC-EIA (now PRISM) to add a workers' compensation module to the Risk Management Information System.

9/19/23 (item #11, file 2023-0953) - Authorized the Director of Human Resources to execute first amendments to the Participating Entity Agreements with CSAC-EIA (now PRISM) for utilization of the ClaimsXpress (formerly SIMS) Risk Management Information System (RMIS) for the period 4/1/23 to 3/31/24.

FISCAL SUMMARY

Expenditures	FY23-24 Adopted	FY24-25 Projected	FY25-26 Projected
Budgeted Expenses	42,290	56,593	59,023
Additional Appropriation Requested			
Total Expenditures	42,290	56,593	59,023
Funding Sources			
General Fund/WA GF			
State/Federal	42,290	56,593	59,023
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources	42,290	56,593	59,023

Narrative Explanation of Fiscal Impacts:

Costs associated with the new agreements are funded through the General Liability and Workers Compensation internal service funds from ratepayers. The 23/24 costs include one-time software implementation costs and will be absorbed within FY 23/24 budgets as outlined below. No additional appropriations are required.

General Liability (51230) - \$12,103

Workers' Compensation (51220) - \$30,187

Total - \$42,290

Staffing Impacts:

Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

None.

Attachments:

1. Amendment #2 to Service Agreement for RMIS - General Liability
2. Amendment #2 to Service Agreement for RMIS - Workers' Compensation

Related Items "On File" with the Clerk of the Board:

1. Master Software License and Professional Services Agreement (4/4/13)
2. Sonoma GL Participating Entity Service Agreement (1/27/15)
3. Sonoma Addendum 12 - GL (2/6/15)
4. Sonoma WC Participating Entity Service Agreement (4/4/17)
5. Sonoma Amendment to Addendum 12 - WC (6/29/17)
6. PRISM Name Change Amendment (7/1/20)
7. Insurity LLC. Amendment - Order Form 00496161 (3/30/23)
8. Spear Master Subscription Amendment (7/31/23)
9. Amendment #1 to Service Agreement for RMIS - General Liability (9/19/23)
10. Amendment #1 to Service Agreement for RMIS - Workers' Compensation (9/19/23)