



Board Agenda Item 56

DATE: June 20, 2023

TO: Board of Supervisors

SUBMITTED BY: Hollis Magill, Director of Human Resources

SUBJECT: Amendment I to Agreement with Public Risk Innovation, Solutions, and Management.

RECOMMENDED ACTION(S):

Approve and authorize the Chairman to execute Amendment I to Agreement with Public Risk Innovation, Solutions, and Management (PRISM) changing the term to July 1, 2022 through March 31, 2024, with a maximum compensation of \$42,391.

There is no additional Net County Cost associated with the recommended action, which will allow for continued software support for the County's general liability and medical malpractice claims. This item is Countywide.

ALTERNATIVE ACTION(S):

If your Board does not approve the recommended action, the Department of Human Resources, Risk Management, will be required to obtain the software from a different source, affecting continuity of claims management operations.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. Sufficient appropriations for this amendment have been included with the Human Resources Risk Management Org 8925 FY 2022-23 Adopted Budget. The total estimated cost of this amendment will be part of program costs recovered through the Risk Management Internal Service Fund (ISF) general liability rates.

DISCUSSION:

On April 3, 2013, The California State Association of Counties Excess Insurance Authority (CSAC EIA) entered into a Master Software License and Professional Services Agreement with Systema Software, LLC (Systema), by which CSAC EIA was authorized to license the Systema claims management system to its clients. PRISM is a successor in interest to CSAC EIA, including all rights and obligations of CSAC EIA pursuant to the Master Service's Agreement. Insurity, Inc. is a successor in interest to Systema, including all rights and obligations of Systema pursuant to the Master Services Agreement. PRISM conducted a Request for Proposal and determined that Insurity, Inc. provided the best claims management system and the best license agreement for PRISM members.

On July 15, 2014, the County entered into an agreement with PRISM to provide a license for use of Insurity software for tracking the County's general liability and medical malpractice claims. On November 18, 2019, the agreement was renewed through Procurement Agreement P-19-581-O for three years, with two

one-year extensions, and was subsequently renewed on January 24, 2023, through Agreement A-23-037 for three years, with two optional one-year extensions.

On February 23, 2023, the County was informed by PRISM that Insurity had provided them with a 60-day termination of agreement notice, under the premise that they desired to renegotiate the rates of their cloud hosting services. PRISM was able to negotiate a one-year agreement with Insurity to provide continuity of services to their members, with an increase to the County for cloud hosting services from \$750 to \$1658 monthly, for the term of June 1, 2023 through March 31, 2024. PRISM's agreement with Insurity will terminate on March 31, 2024, at which point they will contract with a cloud hosting provider under a new master service agreement, at a greatly reduced rate to the County.

Insurity provides an internet-based system that is available to PRISM to provide direct support to the County as well as claims reporting services. The software allows the County to input valuable claims administration data, which is essential for the timely handling of the County's general liability and medical malpractice claims.

REFERENCE MATERIAL:

BAI #32, January 24, 2023

BAI #58, July 15, 2014

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - Amendment I to Agreement with PRISM

CAO ANALYST:

Greg Reinke