

cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item H December 20, 2010

SUBJECT: Approval of Contract to Total Employee Assistance & Management, Inc.(T.E.A.M.) to provide an Employee Assistance Program to employees and their family members in the amount of \$2.50 per person per month or an annual amount of approximately \$12,000-\$15,000 depending upon head count and training utilized.

SUBMITTING DEPARTMENT: Human Resources

CITY MANAGER APPROVAL: 

EXPENDITURE REQUIRED	\$ 12,000 - \$15,000
AMOUNT BUDGETED	\$20,000
APPROPRIATION REQUIRED	\$0.00
LINE ITEM NUMBER	101-270.00-882.200

BACKGROUND INFORMATION:

The City has provided an Employee Assistance Program for its employees and their family members since 2007. The City requested proposals (RFP) for this service and received three (3) proposals. An evaluation team evaluated the proposals utilizing the Quality Based Selection system (QBS) and selected T.E.A.M., the City's current vendor, to continue providing counseling services to City employees and their family members. Price quotes ranged from \$1.55 per employee per month for counseling services and 10 hours of training per year to \$17.75 per employee per month for counseling, financial, and legal services and 12 hours of training per year. T.E.A.M.'s quote was \$2.50 per person per month for counseling, management coaching and 10 hours of training per year.

T.E.A.M. has provided these services since 2007, in an efficient manner. Additionally, T.E.A.M has managed an average of 94.75% of all client concerns without utilizing City of Novi health insurance benefits or causing any out-of-pocket costs to employees or their dependents. Over the past three plus years the Program has maintained an annual utilization rate of 8.2% – 11.0%, significantly higher than the National average utilization rate of 3%-5%.

T.E.A.M provides services in the following areas: Substance Use, Addiction, Emotion/Psychological, Family concerns, Relationship concerns, Work-live balance concerns, Job related concerns, Grief/death concerns, Medical concerns as well as Management referrals, Management coaching and various employee training.

With financial times as they are, families losing their employment and the struggles and emotional strains that come along with these life altering events, the continuation of this Program is vital for our employees and to the work/life balance that is achieved.

RECOMMENDED ACTION: Approval of Contract to Total Employee Assistance & Management, Inc.(T.E.A.M.) to provide an Employee Assistance Program to employees and their family members in the amount of \$2.50 per person per month or an annual amount of approximately \$12,000-\$15,000 depending upon head count and training utilized

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Fischer				
Council Member Margolis				

	1	2	Y	N
Council Member Mutch				
Council Member Staudt				
Council Member Wrobel				



TEAM Human Capital Solutions EMPLOYEE ASSISTANCE PROGRAM

Service Agreement

This Agreement, made this 20th day of December, 2010, by and between City of Novi, Michigan, 45175 West Ten Mile Road, Novi, MI 48375, hereinafter referred to as the "Company" and Total Employee Assistance & Management, Inc., 901 Wilshire Drive, Suite 210, Troy, MI 48084 hereinafter referred to as "TEAM Human Capital Solutions, aka, TEAM HCS," provides for Employee Assistance services and compensation therefore, according to the following terms and conditions:

1. **Services to be Provided:** TEAM HCS shall provide those services to the Company which are set forth in Exhibit A which is attached hereto and incorporated herein by reference.
2. **Term:** This agreement shall become effective on the 1st day of January, 2011 following the signing of the contract and shall continue for a period of (1) one full year unless terminated as set forth herein. Following the initial one-year contract period, this Agreement shall be automatically renewed for subsequent one-year periods effective on the one-year anniversary of the above month and day, unless notice of an intent not to renew is timely given by either party, in accordance with paragraph number 9 below.
3. **Service Fee:** The Company agrees to pay TEAM HCS in accordance with the fee schedule set forth in Exhibit A which is attached hereto and incorporated herein by reference. The first quarter payment is due at the time that the services are started and all following payments shall be due upon receipt of a proper invoice thereafter.
4. **Participant Information:** The Company and TEAM HCS agree that any confidential participant information shall not be disclosed by TEAM HCS or the Company without the written consent or authorization of the participant unless State or Federal law requires the sharing of information and then only in strict compliance with the applicable law(s).
5. **Facilities:** TEAM HCS shall provide or cause to be provided the physical facilities necessary for the services to be provided for counseling. The Company shall provide the facilities for TEAM HCS presentations, training sessions and workshops.
6. **Program Information:** The Company understands that the TEAM HCS Employee Assistance Program information is confidential and proprietary to TEAM HCS and agrees to protect the confidentiality of any TEAM HCS program or service the Company may acquire in the course of dealing with TEAM HCS. The Company shall not disclose any such information to any person or organization without the express written approval of TEAM HCS. The Company shall also use its best efforts to insure that its employees or agents participating in TEAM HCS programs shall not disclose TEAM HCS program information.
7. **Insurance:** TEAM HCS agrees to maintain professional liability insurance covering counseling services provided by TEAM HCS under this agreement. However, TEAM HCS cannot, and does not, guarantee the results of treatment or professional conduct.

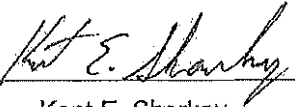
8. **Indemnity:** Company shall indemnify, defend and hold TEAM HCS, its directors, officers, agents and employees harmless from and against any loss, costs (including attorney fees), damages, injury, liability, claims, demands, errors, omissions or causes of action arising out of or resulting, whether directly or indirectly, from any action allegedly or actually taken by the Company or other actual or alleged improper conduct by the Company, its officers, directors, agents and employees. Company releases, waives, discharges and covenants not to sue TEAM HCS, its agents, officers, attorneys, shareholders, directors, employees relative to any liability, claim, costs, demands, suit, action, judgment or damage whether known or unknown, accrued or contingent that arises in whole or in part by and between Company and its employees. The releases, waivers and indemnity set forth herein are intended to be and shall be deemed, interpreted, construed and enforced as the fullest, broadest and most complete indemnities, releases and waivers permitted by law or in equity and shall be unlimited in all respects including time, amounts and shall be irrevocable and continuing. The same shall include all expenses of every kind and nature whatsoever including but not limited to all costs, attorney fees, expert fees, interest, penalties, filing fees, settlements, payments, travel expenses, telephone and fax expenses, losses and similarly related items.

9. **Termination and Notice:** This agreement may be terminated by either party for a breach of the terms in this agreement by the other party which is not corrected within 45 days following the receipt of written notice thereof to the address above, return receipt not required. Termination without cause may occur only at the conclusion of a given term of service, with the Company providing a 90 days notice of termination prior to the renewal date. In the event the Company elects to terminate this agreement without a breach during the service period, the Company will be responsible for paying the total sums due for the remainder of the service term specified in paragraph 2, in addition to any other payments due TEAM HCS, whether or not TEAM HCS continues to provide Employee Assistance services. For purposes of agreement, notice shall be deemed received when deposited in the mail by certified or registered letter.

10. **Miscellaneous Provisions:**

- a. This Agreement may be executed in several counterparts, each of which shall be deemed an original and which together shall constitute one and the same instrument.
- b. This Agreement contains the entire understanding of the parties and shall be amended only by written instrument signed by both parties.
- c. This instrument shall be governed by and interpreted under Michigan law. The exclusive jurisdiction and venue is Oakland County Michigan.
- d. This Agreement shall be binding upon the parties, all or any part thereof, their successors, acquiring all or any part of originally contracted Company, and assigns.

Total Employee Assistance & Management, Inc. City of Novi, Michigan
 901 Wilshire Dr. Suite 210, Troy, MI. 48084
 248-680-4611

BY: 
 PRINTED NAME: Kent E. Sharkey
 TITLE: President & CEO
 DATE: 12-15-10

BY: _____
 PRINTED NAME: _____
 TITLE: _____
 DATE: _____

EXHIBIT A

TEAM HCS EMPLOYEE ASSISTANCE PROGRAM

The TEAM HCS Employee Assistance Program components:

1. **Consultation Prior to TEAM HCS Implementation:** To insure compatibility with Company culture and other cost-containment, risk reduction and health promotion strategies, TEAM HCS provides initial and annual consultation with key company officials.
2. **Supervisor EAP Orientation:** TEAM HCS will provide orientation of supervisors, managers and key employees either in person or via CD Rom. While this is essential at the initiation of a new program, it may be replicated periodically to accommodate new managers. Supervisor EAP Orientation includes:
 - Introduction to the TEAM HCS Employee Assistance Program.
 - Recognition of employee personal performance problems.
 - Clarification of the supervisor's role with troubled employees and TEAM HCS.
 - Effective management and documentation of employee work performance problems.
 - EAP referral types & related processes.
 - Privacy, confidentiality issues and formal employee referral services available to supervisors.
3. **Employee Orientation:** TEAM HCS will provide EAP employee orientation either via CD Rom or in person to groups of employees to familiarize them with the TEAM HCS Employee Assistance Program and how it works.
4. **Counseling Services:** TEAM HCS will provide professional, advance degreed and state licensed/certified counselors to assist employees and dependents experiencing a variety of personal problems.

TEAM HCS will respond to all calls or requests for assistance. This may involve telephone consultation or arrangements to meet at one of the counseling offices.

TEAM HCS will assess the employee's/dependent's concern, the type of assistance necessary, the nature and scope of the problem, and the prudent course of action. A counselor will help the employee/dependent define the problem and develop a course of action toward resolution. TEAM HCS may consult with the employee/dependent for a maximum of five (5) sessions.

TEAM HCS will provide counseling in cases where an employee's/dependent's problem(s) can be resolved within a short-term counseling model.

TEAM HCS will refer an employee/dependent, when necessary, to longer-term counseling services, facilities or to a community resource for the treatment of the employee's/dependent's problem. TEAM HCS is not responsible for providing EAP clients with insurance verification nor is TEAM HCS responsible for any treatment costs or any costs whatsoever covered or not covered by insurance. It is the EAP client's responsibility to verify their insurance eligibility, coverage, and to pay any and all deductibles, co-insurance and/or costs associated with counseling/treatment rendered by, or through, treatment providers.

TEAM HCS will provide follow-up to EAP clients for continuing support and furnish additional counseling services, as necessary.

TEAM HCS will provide a 24-hour telephone "Crisis Line" which will be listed on promotional material distributed to employees and/or displayed at the workplace.

TEAM HCS will promote the general health of the employees/dependents by recommending and providing information about community resources.

TEAM HCS will provide individual client case management for chemical abuse/dependency and mental health problems.

TEAM HCS does not provide psychiatric service, psychological testing, detoxification, long-term psychotherapy, specialized mental health treatment for autism, dyslexia or mental retardation, child psychiatric services/testing, or inpatient, day treatment, residential or halfway house services for chemical dependency or mental health problems.

Counseling will be available by appointment. Times will be scheduled to accommodate the needs of the employees/dependents in a timely manner, except on the following holidays: Christmas Eve, Christmas Day, New Year's Eve, New Year's Day, Easter, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Thanksgiving Friday. Crisis management services will be available at all times.

5. **Management Services:** TEAM HCS will provide a variety of Management Services including:

- **Management Consultations-** Your company will receive unlimited consultations and interventions for managers/supervisors/key personnel confronted with employees' policy violations or work performance problem. These confidential consultations can help managers deal with troubled employees and difficult situations in the most effective manner.

EAP "coaching" is provided to management and key personnel who may be experiencing confusion, frustration, or personal distress as a result of an employee's personal performance problem and/or situation.

TEAM HCS provides consultation for managers/supervisors/key personnel with employees who are under "Last Chance" or "Return-To-Work" guidelines for policy violations and other work performance problems, to determine if a work performance referral is appropriate.

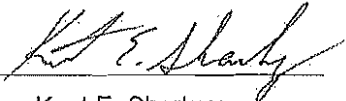
- **Work Performance Referrals-** The formal referral process allows management or human resources to refer an employee who is at risk of termination due to personal work performance problems or company policy violations. This provides management with direct feedback regarding an employee's motivation toward resolving his/her work performance problem, and provides the employee with an opportunity to help him/herself. Formal referrals provide management and, if appropriate, union leadership, with a clear method of helping employees get back on track.
 - **Critical Incident Stress Debriefings-** On a Fee for Service basis, TEAM HCS can provide Critical Incident Stress Debriefings. In the event that your company experiences a critical incident (CISD) at the worksite (e.g., workplace violence, suicide, natural disaster, fatality), TEAM HCS can provide on-site response. This service will help to reduce the possibility of post-traumatic stress, normalize reactions to the incident, provide continued support/counseling to those affected, and provide management/union consultation to prevent recurrence and reduce overall long-term effects.
6. **Utilization Report:** A TEAM HCS Utilization Report will be provided to management. Only demographic information will be submitted. To insure confidentiality this information is limited to:
- Number of employees using the TEAM HCS EAP.
 - Number of client contacts.
 - Demographics and types of problems identified.
 - Number and types of referrals made.
7. **Printed Material:** TEAM HCS provides the format and information for notices to employees/dependents. However, it is the Company's responsibility to print or to pay for the printing of, and to distribute, notices about the program to eligible employees/dependents. Said notices shall include, but not be limited to, posters, brochures or notices.
8. **Travel Expenses:** It is the Company's responsibility to pay for all travel expenses incurred by TEAM HCS associated with supervisor orientations, employee orientations, EAP implementation meetings, on-site critical/stress debriefings and on-site consultations at locations outside of areas served directly by local or regional offices.
9. **Involvement in Legal Issues:** TEAM HCS cannot be involved in any capacity with legal problems – i.e., appearing in court for divorce/custody cases; writing reports for the courts for any legal purposes; providing documentation to assist in the application process for FMLA or disability claims; or with issues concerning the employer, employee or any bargaining agency or union issues.
10. **Fee Schedule:** The fee schedule is based on a capitation rate of \$ 2.50 per employee per month. The quarterly EAP fee will be based on employee headcounts provided by your organization prior to that quarter. Headcounts will include all current Company employees, and former Company employees who are eligible for EAP coverage through COBRA-elected benefits. There is no fee for employees' dependent coverage. The Company will pay Total Employee Assistance & Management, Inc. on a quarterly basis, the first payment due at the time of the start of the program and the following payments due upon the receipt of a TEAM HCS invoice. The EAP capitated fee may be reviewed and adjusted annually in January by TEAM HCS.

At TEAM HCS' sole discretion, a late fee of 5% per month may be assessed on outstanding balances in excess of 30 days.

In the event TEAM HCS must use legal means to pursue collection due to failure to pay timely for contracted services rendered, Company shall pay all reasonable attorney fees and court costs. At TEAM HCS' sole discretion, legal action may be taken on accounts with overdue balances in excess of 120 days.

Conclusion of Exhibit A, Agreement for TEAM HCS Employee Assistance Services.

Total Employee Assistance & Management, Inc. City of Novi, Michigan
901 Wilshire Dr. Suite 210, Troy, MI. 48084
248-680-4611

BY: 
PRINTED NAME: Kent E. Sharkey
TITLE: President & CEO
DATE: 12-15-10

BY: _____
PRINTED NAME: _____
TITLE: _____
DATE: _____

EAP11