

**RESOLUTION NO. 69-09-07**

**A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF LAKE PARK, FLORIDA AUTHORIZING THE TOWN MANAGER TO EXECUTE THE RENEWAL APPLICATION FOR BLUE CROSS BLUE SHIELD OF FLORIDA FOR EMPLOYEE HEALTH INSURANCE COVERAGE, A RENEWAL APPLICATION FOR JEFFERSON PILOT FOR RENEWAL OF THE TERM LIFE INSURANCE, SHORT TERM DISABILITY, LONG TERM DISABILITY AND DENTAL INSURANCE, AND A CONTRACT WITH THE CENTER FOR FAMILY SERVICES OF PALM BEACH COUNTY INC. FOR AN EMPLOYEE ASSISTANCE PROGRAM; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Town of Lake Park (“Town”) is a municipal corporation of the State of Florida with such power and authority as has been conferred upon it by the Florida Constitution and Chapter 166, Florida Statutes; and

**WHEREAS**, the Town Commission has determined that it will provide the Town’s employees with health insurance coverage and an employee assistance program for Fiscal Year 2008; and

**WHEREAS**, the Town Commission of the Town of Lake Park has reviewed the Employee Benefits Insurance Analysis and Recommendation effective October 1, 2007 presented by Gehring Group, a copy of which is attached hereto and incorporated herein as **Exhibit “A”**, for the provision of health insurance coverage for Fiscal Year 2008; and

**WHEREAS**, the Town Commission has determined that it is in the best interest of the Town of Lake Park and its employees to execute the renewal application for Blue Cross Blue Shield for one of the alternate health insurance plans outlined in the analysis, a renewal application with Jefferson Pilot for renewal of the term life insurance, short term disability, long term disability and dental insurance for Fiscal Year 2008, and a Contract with the Center for Family Services of Palm Beach County, Inc. for an employee assistance program. A copy of the Center for Family Services of Palm Beach County Inc. contract for an employee assistance program is attached hereto and incorporated herein as **Exhibit “B”**; and

**WHEREAS**, the Town Commission of the Town of Lake Park has directed that adequate funds be allocated for such coverage in Fiscal Year 2008.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF LAKE PAK, FLORIDA AS FOLLOWS:**

**Section 1.** The whereas clauses are incorporated herein as true and correct and are hereby made a specific part of this Resolution.

**Section 2.** The Town Commission hereby authorizes and directs the Town Manager to execute the renewal application for Blue Cross Blue Shield for one of the alternate plans outlined in the Employee Benefits Insurance Analysis and Recommendation presented by Gehring Group for Fiscal Year 2008.

**Section 3.** The Town Commission hereby authorizes and directs the Town Manager to execute the renewal application for Jefferson Pilot for renewal of the term life insurance, short term disability, long term disability and dental insurance for FY 2008.

**Section 4.** The Town Commission hereby authorizes and directs the Town Manager to execute the contract (attached hereto as **Exhibit "B"**) with the Center for Family Services of Palm Beach County, Inc. for the employee assistance program for FY 2008.

**Section 5.** This Resolution shall become effective immediately upon adoption.

The foregoing Resolution was offered by Commissioner Carey, who moved its adoption. The motion was seconded by Commisioner Balius, and upon being put to a roll call vote, the vote was as follows:



	AYE	NAY
MAYOR PAUL W. CASTRO	<u>X</u>	___
VICE-MAYOR ED DALY	<u>X</u>	___
COMMISSIONER CHUCK BALIUS	<u>X</u>	___
COMMISSIONER JEFF CAREY	<u>X</u>	___
COMMISSIONER PATRICIA OSTERMAN	<u>X</u>	___

The Town Commission thereupon declared the foregoing Resolution NO. 69-09-07 duly passed and adopted this 12 day of September, 2007.

TOWN OF LAKE PARK, FLORIDA

BY:   
PAUL W. CASTRO  
MAYOR

ATTEST:

  
VIVIAN MENDEZ  
TOWN CLERK  


Approved as to form and legal sufficiency:


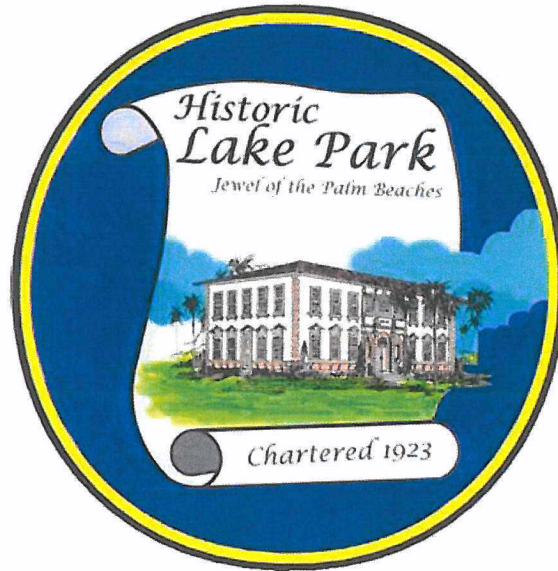
BY:   
THOMAS J. BAIRD  
TOWN ATTORNEY

Exhibit A

# Town of Lake Park



## Employee Benefits

### *Insurance Analysis and Recommendation*

**Effective Date: October 1, 2007**

*Presented by:*

**GEHRING GROUP**  
PROFESSIONAL SERVICES

11505 Fairchild Gardens Ave., Ste 202  
Palm Beach Gardens, Florida 33410  
Telephone: (561) 626-6797  
Fax: (561) 626-6970  
[www.gehringgroup.com](http://www.gehringgroup.com)

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## SECTION 1

### Health Insurance Evaluation

Due to the concern regarding the rising healthcare inflation rate in the State of Florida, as well as the impending budget reductions facing municipal governments, the Town of Lake Park's agent of record, the Gehring Group, initiated renewal discussions with the City's current health insurance carrier, BlueCross BlueShield of Florida in order to maintain the current benefit structure while reducing the overall renewal impact on a fiscal basis.

Although the Town has made several plan design changes over the past several years, the Town still maintains a competitive health insurance plan throughout the County. Based upon the most recent manual premium rates and the Town's demographics initial projections for the Town's health insurance premium increase were approximately 40%.

Initially BlueCross BlueShield of Florida provided an overall renewal increase to the Town at a 35.1% increase in current premiums. After subsequent negotiation and use of improved plan claims experience the renewal was reduced to 26.4% and then to a 20.4% increase in current premiums. This negotiation resulted in a savings of approximately \$44,196.

Upon review of the negotiated premiums and benefits associated with the current plan offering, the Gehring Group along with Town staff have surmised that the most viable option for the Town at this time is to renew its health insurance coverage with BlueCross and BlueShield of Florida with no changes in the schedule of benefits at an overall increase of 20.4%. The fiscal impact is approximately \$61,195 effective October 1, 2007 through September 30, 2008.

In an effort to mitigate healthcare renewal increases, the Town implemented an employer sponsored health reimbursement account for Town employees beginning fiscal year 2004/2005. To date, approximately \$60,011 or 49% of contributed funds have been claimed while \$61,783 or 51% of the \$121,794 contributed funds remained with the plan.

Beginning fiscal year 2007/2008, the Town is opting not to continue this program due to a lack of employee participation as well being able to utilize the savings in order to maintain the current health insurance program with BlueCross BlueShield of Florida.

## Dental Insurance Evaluation

The current dental program is an employer-sponsored program offered through Jefferson Pilot Financial and consists of a single option PPO dental plan.

The plan's claims paid by the carrier currently exceed the premiums being paid at a 102% loss ratio. The renewal offered from Jefferson Pilot Financial is a 16% increase above current premiums or a \$4,290 increase. The Gehring Group reviewed a proposal submitted by BlueCross BlueShield of Florida which mimicked the current benefits; however the rates were uncompetitive with a 33% increase.

Based upon the review of the renewal evaluation with Town staff, it is recommended that the Town renew its dental insurance program with Jefferson Pilot Financial and maintain the current dental plan for the upcoming 2007/2008 plan year.

## Life Insurance Evaluation

The Town of Lake Park currently offers all employees one times their annual salary to a maximum of \$50,000 of basic life and accidental death and dismemberment insurance. Employees are able to purchase an additional benefit up to \$250,000.

This benefit is currently being provided by Jefferson Pilot Financial. Jefferson Pilot Financial is offering an increase in current premiums of \$2,197 per year for the next two plan years. The increase is due to several claims payments resulting in a 781% loss ratio. Therefore, it is the recommendation of the Gehring Group that the Town renew its current life insurance program with Jefferson Pilot Financial effective October 1, 2007.

## Short Term & Long Term Disability Insurance Evaluation

In addition to the dental and life insurance being offered by Jefferson Pilot Financial, they also provide the short term disability and long term disability insurance for the Town's employees.

Currently, the long term disability plan has not incurred any claims; however, the short term disability plan has a loss ratio of 120% of premium paid towards claims. Based upon that the short term and long term disability benefits are associated with dental and life insurance plans along with the requested increase of \$2,198 it is the recommendation of the Gehring Group that the Town renew these lines of coverage with Jefferson Pilot Financial effective October 1, 2007.

## SECTION 2

# Health Insurance Proposal Analysis



**Town of Lake Park  
Medical Insurance Renewal Evaluation  
Effective Date: October 1, 2007**

SCHEDULE OF BENEFITS	CURRENT		INITIAL RENEWAL		NEGOTIATED RENEWAL (NO CHANGES)		ALTERNATE 1	
	BlueCross BlueShield of Florida BlueOptions PPO Plan 1667 (SG) In Network	Out of Network	BlueCross BlueShield of Florida BlueOptions PPO Plan 1667 (SG) In Network	Out of Network	BlueCross BlueShield of Florida BlueOptions PPO Plan 1667 (SG) In Network	Out of Network	BlueCross BlueShield of Florida BlueOptions PPO Plan 1662 (LG) In Network	Out of Network
<b>Plan Basics</b>								
Lifetime Maximum		\$5 million		\$5 million		\$5 million		\$5 million
Out of Pocket CYM								
Single	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$5,000
Family	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$10,000
Calendar Year Deductible								
Single								
Family	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500
Coinsurance	No Deductible	No Deductible	No Deductible	No Deductible	No Deductible	No Deductible	No Deductible	No Deductible
	20%	20%	20%	20%	20%	20%	20%	20%
<b>Physician Services</b>								
Primary Care Physician	\$15	\$30	\$15	\$30	\$15	\$30	\$15	\$30
Specialist	\$30	\$45	\$30	\$45	\$30	\$45	\$30	\$45
Pre-Natal	\$15 / \$30	\$30 / \$45	\$15 / \$30	\$30 / \$45	\$15 / \$30	\$30 / \$45	\$15 / \$30	\$30 / \$45
Physical Exam Benefit	\$250 CYM	Not Covered	\$250 CYM	Not Covered	\$250 CYM	Not Covered	\$250 CYM	Not Covered
Chiropractic Services	\$30	40%	\$30	40%	\$30	40%	\$30	40%
Laboratory Services	No Charge	40%	No Charge	40%	No Charge	40%	No Charge	40%
Diagnositics / Surgical Center	\$100	40%	\$100	40%	\$100	40%	\$100	40%
<b>Hospital Services</b>								
Inpatient Hospital	Tier 1 / Tier 2		Tier 1 / Tier 2		Tier 1 / Tier 2		Tier 1 / Tier 2	
Outpatient Hospital	\$600 / \$900	\$1,200	\$600 / \$900	\$1,200	\$600 / \$900	\$1,200	\$600 / \$1,000	\$1,000
Emergency Room	\$200 / \$300	\$400	\$200 / \$300	\$400	\$200 / \$300	\$400	\$100 / \$200	\$200
Physician Services	\$100	\$200	\$100	\$200	\$100	\$200	\$100	\$200
Ambulance	No Charge	40%	No Charge	40%	No Charge	40%	No Charge	40%
Outpatient Therapy	20%	40%	20%	40%	20%	40%	20%	40%
<b>Mental and Nervous Services</b>								
Inpatient Hospital	30 days CYM; 20 visits CYM		30 days CYM; 20 visits CYM		30 days CYM; 20 visits CYM		30 days CYM; 20 visits CYM	
Outpatient Hospital	\$600 / \$900 / \$1,200	40%	\$600 / \$900 / \$1,200	40%	\$600 / \$900 / \$1,200	40%	\$600 / \$1,000	40%
Outpatient Services	\$30	40%	\$30	40%	\$30	40%	\$30	40%
<b>Substance Abuse Services</b>								
Inpatient Hospital	30 days CYM; 20 visits CYM (Detox Only)		30 days CYM; 20 visits CYM (Detox Only)		30 days CYM; 20 visits CYM (Detox Only)		30 days CYM; 20 visits CYM (Detox Only)	
Outpatient Hospital	\$600 / \$900 / \$1,200	40%	\$600 / \$900 / \$1,200	40%	\$600 / \$900 / \$1,200	40%	\$600 / \$1,000	40%
<b>Pharmacy Plan</b>								
Generic	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$15
Preferred Brand	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$30
Non Preferred Brand	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50
Mail Order Copay	2x	2x	2x	2x	2x	2x	2x	2x
<b>Employee</b>	30	\$386.93	30	\$522.65	30	\$465.74	30	\$433.38
<b>Employee + Spouse</b>	7	\$800.95	7	\$1,081.90	7	\$964.08	7	\$897.08
<b>Employee + Child(ren)</b>	4	\$727.43	4	\$982.59	4	\$875.58	4	\$814.74
<b>Family</b>	4	\$1,228.51	4	\$1,659.44	4	\$1,478.71	4	\$1,375.97
<b>Monthly Premium</b>		\$25,038.31		\$33,820.92		\$30,137.92		\$28,043.80
<b>Annual Premium</b>		\$300,459.72		\$405,851.04		\$361,655.04		\$336,525.60
<b>\$ Increase</b>		N/A		\$105,391.32		\$61,195.32		\$36,065.88
<b>% Increase</b>		N/A		35.1%		20.4%		12.0%

(SG)=Small Group (LG)=Large Group  
\*Rates not contingent on enrollment

**Town of Lake Park  
 Medical Insurance Renewal Evaluation  
 Effective Date: October 1, 2007**

SCHEDULE OF BENEFITS	CURRENT		ALTERNATE 2 ALONGSIDE ALTERNATE 1		ALTERNATE 3 STANDALONE	
	BlueCross BlueShield of Florida BlueOptions PPO Plan 1667 (SG) In Network	Out of Network \$5 million	BlueCross BlueShield of Florida BlueOptions PPO Plan 1166 / 1167 (HSA) In Network	Out of Network \$5 million	BlueCross BlueShield of Florida BlueOptions PPO Plan 3166 / 3167 (HSA) In Network	Out of Network \$5 million
<b>Plan Basics</b>						
Lifetime Maximum						
Out of Pocket CYM						
Single		\$2,500	\$1,500	\$6,000	\$1,500	\$6,000
Family		\$5,000	\$3,000	\$12,000	\$3,000	\$12,000
Calendar Year Deductible						
Single	No Deductible	\$500	\$1,500	\$3,000	\$1,500	\$3,000
Family	No Deductible	\$1,500	\$3,000	\$6,000	\$3,000	\$6,000
Coinurance	20%	40%	0%	20%	0%	20%
<b>Physician Services</b>						
Primary Care Physician	\$15	\$30	0%	20%	0%	20%
Specialist	\$30	\$45	0%	20%	0%	20%
Pre-Natal	\$15 / \$30	\$30 / \$45	0%	20%	0%	20%
Physical Exam Benefit	\$250 CYM	Not Covered	\$250 CYM	Not Covered	No Maximum	Not Covered
Chiropractic Services	\$30	40%	0%	20%	0%	20%
Laboratory Services	No Charge	40%	0%	20%	0%	20%
Diagnostics / Surgical Center	\$100	40%	0%	20%	0%	20%
<b>Hospital Services</b>						
Tier 1 / Tier 2						
Inpatient Hospital	\$600 / \$900	\$1,200	0%	20%	0%	20%
Outpatient Hospital	\$200 / \$300	\$400	0%	20%	0%	20%
Emergency Room	\$100	\$200	0%	20%	0%	20%
Physician Services	No Charge	40%	0%	20%	0%	20%
Ambulance	20%	40%	0%	20%	0%	20%
Outpatient Therapy	20%	40%	0%	20%	0%	20%
<b>Mental and Nervous Services</b>						
Inpatient Hospital	30 days CYM; 20 visits CYM		30 days CYM; 20 visits CYM		30 days CYM; 20 visits CYM	
Outpatient Hospital	\$600 / \$900 / \$1,200	40%	0%	20%	0%	20%
Outpatient Services	\$30	40%	0%	20%	0%	20%
<b>Substance Abuse Services</b>						
Inpatient Hospital	30 days CYM; 20 visits CYM (Detox Only)		30 days CYM; 20 visits CYM (Detox Only)		30 days CYM; 20 visits CYM (Detox Only)	
Outpatient Hospital	\$600 / \$900 / \$1,200	40%	0%	20%	0%	20%
<b>Pharmacy Plan</b>						
Generic						
Preferred Brand	\$15		0%	Not Covered	0%	Not Covered
Non Preferred Brand	\$30		0%	Not Covered	0%	Not Covered
Mail Order Copay	\$50		0%	Not Covered	0%	Not Covered
	2x		Not Covered	Not Covered	Not Covered	Not Covered
Employee	\$386.93	\$344.81	\$344.81	\$344.81	\$346.93	\$346.93
Employee + Spouse	\$800.95	\$637.21	\$637.21	\$637.21	\$641.03	\$641.03
Employee + Child(ren)	\$727.43	\$578.72	\$578.72	\$578.72	\$582.19	\$582.19
Family	\$1,228.51	\$977.36	\$977.36	\$977.36	\$983.22	\$983.22
<b>Monthly Premium</b>	\$25,038.31	\$21,029.09	\$21,156.75	\$21,156.75	\$21,156.75	\$21,156.75
<b>Annual Premium</b>	\$300,459.72	\$252,349.08	\$252,349.08	\$252,349.08	\$253,881.00	\$253,881.00
<b>\$ Increase</b>	N/A	-\$48,110.64	-\$48,110.64	-\$48,110.64	-\$46,578.72	-\$46,578.72
<b>% Increase</b>	N/A	-16.0%	-16.0%	-16.0%	-15.5%	-15.5%

\*Rates not contingent on enrollment

## SECTION 3

# Dental Insurance Proposal Analysis

**Town of Lake Park  
Dental Insurance Renewal Evaluation  
Effective Date: October 1, 2007**

SCHEDULE OF BENEFITS	CURRENT		RENEWAL		ALTERNATE	
	Jefferson Pilot Financial DentalGuard Select		Jefferson Pilot Financial DentalGuard Select		BlueCross BlueShield ChoicePlus Plan	
	In Network	Non Network	In Network	Non Network	In Network	Non Network
Calendar Year Maximum	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	
Deductibles						
Single	\$25	\$50	\$25	\$50	\$25	\$50
Family	\$75	\$150	\$75	\$150	\$75	\$150
Deductible Waived for Preventative Svcs	Yes	Yes	Yes	Yes	Yes	Yes
<b>Benefits</b>						
Preventative	100%	100%	100%	100%	100%	100%
Basic	95%	80%	95%	80%	95%	80%
Major	50%	50%	50%	50%	50%	50%
Orthodontia	50%	50%	50%	50%	50%	50%
<b>Service Information</b>						
Out of Network Benefits Payable Level	90% UCR	90% UCR	90% UCR	90% UCR	90% UCR	90% UCR
Waiting Period for Major Services	None	None	None	None	None	None
Endodontics/Periodontics Payable Level	Basic	Basic	Basic	Basic	Basic	Basic
Rate Guarantee	thru 10/1/2007	12 months	12 months	12 months	12 months	12 months
Employee	32	\$30.93	\$35.88	\$41.14	\$41.14	
Employee + Family	14	\$88.86	\$103.08	\$118.18	\$118.18	
Monthly Premium		\$2,233.80	\$2,591.28	\$2,970.95	\$2,970.95	
Annual Premium		\$26,805.60	\$31,095.36	\$35,651.45	\$35,651.45	
\$ Increase		N/A	\$4,289.76	\$8,845.85	\$8,845.85	
% Increase		N/A	16.0%	33.0%	33.0%	

## SECTION 4

# Life Insurance Proposal Analysis

**Town of Lake Park  
Basic Life Insurance Renewal Evaluation  
Effective Date: October 1, 2007**

	<b>CURRENT</b>		<b>RENEWAL</b>		<b>ALTERNATE</b>
	<b>Jefferson Pilot Financial</b>		<b>Jefferson Pilot Financial</b>		<b>BlueCross BlueShield Florida Combined Life</b>
<b>Core Benefit</b> Class 1 - All eligible employees	1x annual salary to a maximum of \$50,000		1x annual salary to a maximum of \$50,000		1x annual salary to a maximum of \$50,000
<b>Features</b> Waiver of Premium	Included		Included		Included
Conversion Privilege	Included		Included		Included
Age Reduction Schedule	Age 65 - 65% of original amount Age 70 - 50% of original amount Age 75 - 35% of original amount		Age 65 - 65% of original amount Age 70 - 50% of original amount Age 75 - 35% of original amount		Age 65 - 65% of original amount Age 70 - 50% of original amount Age 75 - 35% of original amount
<b>Rate Guarantee Period</b>	thru 10/1/2007		24 months		24 months
<b>Basic Term Life Rate / \$1,000</b>	\$0.20	\$0.29	\$0.28	\$0.28	\$0.28
<b>AD&amp;D Rate / \$1,000</b>	\$0.035	\$0.035	\$0.035	\$0.035	\$0.03
<b>Total Rate / \$1,000</b>	\$0.235	\$0.325	\$0.325	\$0.325	\$0.31
<b>Estimated Volume</b>	\$2,033,800	\$2,033,800	\$2,033,800	\$2,033,800	\$2,033,800
<b>Monthly Premium</b>	\$477.94	\$660.99	\$660.99	\$660.99	\$630.48
<b>Annual Premium</b>	\$5,735.32	\$7,931.82	\$7,931.82	\$7,931.82	\$7,565.74
<b>\$ Increase / Decrease</b>	N/A	\$2,196.50	\$2,196.50	\$2,196.50	-\$366.08
<b>% Increase / Decrease</b>	N/A	38.3%	38.3%	38.3%	-4.6%

## SECTION 5

# Short Term & Long Term Disability Insurance Proposal Analysis

**Town of Lake Park  
Short & Long Term Disability Insurance Renewal Evaluation  
Effective Date: October 1, 2007**

	<b>CURRENT</b> Jefferson Pilot / Lincoln National	<b>RENEWAL</b> Jefferson Pilot / Lincoln National	<b>ALTERNATE</b> BlueCross BlueShield / FCL
<b>STD Core Benefit</b> All Eligible Employees	60% of weekly earnings	60% of weekly earnings	60% of weekly earnings
Elimination Period	15 days Sickness & Accident	15 days Sickness & Accident	15 days Sickness & Accident
Duration of Benefit	26 weeks	26 weeks	26 weeks
<b>Benefit Maximum</b>	\$410 Weekly Benefit	\$410 Weekly Benefit	\$410 Weekly Benefit
<b>Rate Guarantee Period</b>	thru 10/1/2007	12 months	24 months
<b>STD Rate / \$10</b>	\$0.37	\$0.46	\$0.69
<b>Estimated Volume</b>	\$20,356	\$20,356	\$20,356
<b>Monthly Premium</b>	\$753.17	\$936.38	\$1,404.56
<b>Annual Premium</b>	\$9,038.06	\$11,236.51	\$16,854.77
<b>LTD Core Benefit</b> All Eligible Employees	60% of monthly earnings	60% of monthly earnings	60% of monthly earnings
Elimination Period	180 days	180 days	180 days
Own Occupation Period	24 months	24 months	24 months
Duration of Benefit	SSNRA	SSNRA	SSNRA
<b>Features</b>			
Maximum Monthly Benefit	\$5,000	\$5,000	\$5,000
Mental Illness Limitation	24 months	24 months	24 months
Pre-Existing Condition Limitation	3/12	3/12	3/12
Survivor Benefit	3x monthly benefit	3x monthly benefit	3x monthly benefit
<b>Rate Guarantee Period</b>	thru 10/1/2007	24 months	24 months
<b>LTD Rate / \$100</b>	\$0.35	\$0.35	\$0.44
<b>Estimated Volume</b>	\$179,348	\$179,348	\$179,348
<b>Monthly Premium</b>	\$627.72	\$627.72	\$789.13
<b>Annual Premium</b>	\$7,532.62	\$7,532.62	\$9,469.57
<b>Total Monthly Premium</b>	\$1,380.89	\$1,564.09	\$2,193.70
<b>Total Annual Premium</b>	\$16,570.68	\$18,769.13	\$26,324.34
<b>Total \$ Increase</b>	N/A	\$2,198.45	\$9,753.66
<b>Total % Increase</b>	N/A	13.3%	58.9%



THE CENTER FOR FAMILY SERVICES OF PALM BEACH COUNTY, INC.  
LIFE ENRICHMENT EMPLOYEE ASSISTANCE PROGRAM

AGREEMENT made this 1st day of September 2007 between THE CENTER FOR FAMILY SERVICES OF PALM BEACH COUNTY, INC., hereinafter referred to as "CFS", and the TOWN OF LAKE PARK referred to as "the Company."

WHEREAS, the Company desires to retain CFS with expertise in the Employee Assistance Program (EAP) and Drug Free Workplace Program (DFWP) Services and CFS agrees to be retained to provide services as called for in this agreement. Therefore, in consideration of the mutual promises and covenants contained herein, the parties hereby agree as follows:

I. TERM OF AGREEMENT

This Agreement shall be in full force and in effect for the period beginning October 1, 2007 and ending September 30, 2008, unless terminated earlier pursuant to Section XI.

II. SERVICES TO BE PERFORMED BY CFS:

A. CFS shall perform for the Company's employees and their eligible family members, unlimited sessions for the following EAP services. If multiple family members attend a session as a group, each individual family member will use one of their allotted number of sessions.

1. Marital counseling
2. Divorce adjustment counseling
3. Job-related counseling
4. Parent/child counseling
5. Substance abuse assessment and counseling or referral
6. Counseling related to the problems of older persons
7. Counseling or referral related to physical or developmental disabilities
8. Mental Health assessment and counseling
9. Unlimited Legal/ Financial Consultations provided by CLC, Consolidated Legal Concepts
10. Elder care resource and referral per contract year

B. CFS further agrees to provide to the Company:

1. Technical assistance in the development of EAP policies & procedures
2. Case management (coordination of community resources, follow-up and case advocacy)
3. Referral to specialized services not offered by CFS, but required by an Employee/eligible family member
4. One two hour Supervisory Training session
5. Telephone consultation with EAP staff or CFS as necessary
6. On-site consultation by CFS staff in those cases where CFS deems it necessary
7. Priority for EAP appointments
8. Benefit Talks / Fairs as needed
9. New Employee Orientation
10. Annual Drug Free Workplace Training
11. Three one hour Worksite Seminars

III. SERVICE LOCATIONS:

The services under this Agreement will be provided at CFS locations or those of its network agencies.

IV. METHOD OF INTAKE:

Employees/eligible family members desiring counseling or assistance should call the Center at 1-800-404-7960. Within 24 hours of an initial call, CFS will notify employees/eligible family members of an appointment time to occur within three (3) working days. For those employees/eligible family members that CFS considers to have an emergency, CFS will grant an appointment within 4 hours of an initial call. For urgent care, an appointment will be made within 24 hours. These appointments can be made at any one of our three locations.

V. EMPLOYEE AWARENESS:

Whenever the Company deems it necessary to communicate the benefits of the counseling program to the Company's employees/eligible family members, the Company shall provide for and incur all related mailing expenses. CFS agrees to provide the printed material to be enclosed.

VI. REPORTING:

CFS agrees to provide annual utilization reports to the Company. The reports will include statistics for the preceding year including the number of new employees/eligible family members seen, the number of new cases opened, and the number of cases closed, as well as year-to-date statistics.

## VII. CONFIDENTIALITY:

Employees/eligible family members who utilize the counseling services are entitled to privacy. CFS will maintain a confidential relationship with all employees/eligible family members within the limitations of the law. No reports which contain any identifying information will be provided to the Company without the knowledge, approval and written consent of the employee or eligible family member. Likewise, information learned about the Company, such as salaries, personnel problems, etc., are treated in a confidential manner.

## VIII. PAYMENT TO CFS:

The Company agrees to pay CFS for all services performed pursuant to this Agreement at the rate of:

\$3.75 per employee per month, based upon 79 employees, payable in advance at the beginning of each annual quarter of the year and by the first of each quarter (October 1, January 1, April 1, and July 1.) This amounts to four (4) payments of \$888.75 or \$3,555.00 per year. If the number of employees varies (+) or (-) 5% the necessary cost adjustments will be made on a quarterly basis.

Supervisory training sessions, other than the initial session provided in section II-B 4, shall be performed at a cost of \$250.00 per hour. In addition to those services performed pursuant to the agreement, including employee seminars on a variety of subjects, other than the initial sessions provided in section II-B11, may be performed at a cost of \$250.00 per hour. Critical Incident Stress Debriefing interventions shall be performed at a cost of \$250.00 per hour.

## IX. RELATIONSHIP BETWEEN THE PARTIES:

CFS's relationship to the Company created by this Agreement is that of an independent contractor and not an employee, agent, partner or joint venturer with the Company. The Company is only interested in the results of CFS' performance under this Agreement. No agent, employee or servant of CFS, including the EAP Director will be or will be deemed to be, the employee, agent or servant of the Company and the Company agrees not to hire any such individual during the course and duration of this Agreement. CFS shall assume all responsibility for the payment of wages and benefits to its agents, employees, and servants, if any, for services performed by them under this Agreement. None of the benefits provided by the Company to its employees, including, with limitation, compensation insurance and unemployment insurance, will be available to CFS or its agents, employees or servants. CFS will assume full responsibility for the payment of all federal, state and local taxes or other contributions imposed or required under unemployment, social security and income tax laws, with respect to CFS's engagement by the Company under this Agreement.

X. CONTINUITY OF CARE:

Should the counseling needs exceed the designated number of sessions allowed pursuant to Section II, employees / eligible family members may continue sessions without interruption based on a CFS sliding fee scale, payable at time of service, and are responsible for their fees. If the employer wishes to pay for extended sessions for employees, the rate for the session is \$150.00 per hour billed monthly. Should this Agreement terminate pursuant to Section XI or by non-renewal, employees / eligible family members may elect to continue counseling and pay out of pocket or use insurance benefits based on CFS' fee schedule. Upon termination of an employee, the employee / eligible family member receiving services may also convert to self-pay or use CFS' fee schedule and shall be responsible for her/his own fees.

USE OF OUTSIDE PROVIDERS:

The only time authorization is approved by EAP Director for use of an outside provider for counseling, is when an employee's access to CFS' three locations is beyond a twenty mile radius. In the event authorization is granted for use of outside provider, the number of sessions offered may be limited. On contracts that offer "unlimited" number of sessions to their employees, CFS will not grant the use of "unlimited" sessions for outside providers. The employee must come to a CFS office location to be eligible for the "unlimited" sessions. Otherwise, employee may be responsible for additional fees to the outside provider.

XI. TERMINATION:

This Agreement is subject to termination, prior to its expiration, upon either party delivering to the other a written notice of intention to terminate this Agreement, which shall become effective ninety (90) days thereafter. Unless otherwise terminated by either party, this Agreement is to be renegotiated at the end of each contract period.

XII. DEFINITIONS:

"Eligible family member" includes an employee's legal spouse, an employee's unmarried children under the age of 19, and employee's unmarried children under the age of 22 who are full-time students. "EAP" is the Employee Assistance Program.

XIII. MISCELLANEOUS:

A. Enforceability

If any term or condition of this Agreement shall be invalid or unenforceable to any extent or in any application, then the remainder of this Agreement, and such term or condition except to such extent or in such application, shall not be affected hereby and each and every term and condition of this Agreement shall

be valid and enforced to the fullest extent and in the broadest application permitted by law.

B. Notice

All notices or other communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be considered as properly made if hand delivered, mailed from within the United States by certified or registered mail.

1. If to the Company in care of

Bambi McKibbon-Turner  
Human Resource Director  
Town of Lake Park  
535 Park Avenue  
Lake Park, Florida 33403

2. If to CFS in care of

Dorla Leslie  
Executive Director  
The Center For Family Services  
4101 Parker Avenue  
West Palm Beach, Florida 33405

or to such other addresses as any other party may have designated by like notice forwarded to the other party hereto. Notices other than those dealing with a change of address shall be deemed given when mailed using United States Postal Service mail or hand delivered. Change of address notices shall be deemed given when received.

C. Application of Florida Law

This Agreement, and the application or interpretation thereof, shall be governed exclusively by its terms and by the laws of the State of Florida.

D. Counterparts

This Agreement may be executed by any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

E. Assignment

CFS may not assign or subcontract its rights or obligations under this Agreement without the prior written consent of the Company. The Company

may not assign its rights or obligations without prior written consent of CFS.

F. Entire Agreement

This Agreement represents the entire agreement and understanding between the parties and supersedes all prior negotiations, understandings, representations (if any), and agreements made by and between the parties. This Agreement shall not be subject to modification or amendment by any oral representation, or any written statement by either party, except for a dated written amendment to this Agreement signed by CFS and an authorized representative of the Company.


G. Litigation

In the event of litigation between the parties hereto arising out of or to settle issues or disputes arising under this Agreement, the prevailing party in such litigation shall be entitled to recover against the other party its costs including reasonable attorney's fees, which shall include any fees and costs attributable to trial, appellate, or post-judgment proceedings.

IN WITNESS WHEREOF, the parties hereunto executed this Agreement the day and year first above written

TOWN OF LAKE PARK

WITNESSES:

(1)  by: \_\_\_\_\_  
TOWN OF LAKE PARK  
SEAL  
PARK  
FLORIDA  
Its Town of Lake Park  
"the Company"

THE CENTER FOR FAMILY SERVICES OF  
PALM BEACH COUNTY, INC.

(1) \_\_\_\_\_ By: \_\_\_\_\_  
Executive Director  
"CFS"