

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: DOMINIQUE KURIHARA, RISK MANAGER
HUMAN RESOURCES

SUBJECT: SECOND AMENDMENT TO PROFESSIONAL SERVICES
AGREEMENT WITH WELLNESS SOLUTIONS, INC. FOR
MISCELLANEOUS EMPLOYEES

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the Human Resources Department Risk, Management Division, that the Council, by resolution, approve the second amendment to professional services agreement number F000978 with Wellness Solutions, Inc., adding an additional amount of \$150,000 for a total contract amount of \$450,000, providing for the continuation of the Wellness Program for Miscellaneous City employees.

EXECUTIVE SUMMARY

The Wellness Program provides miscellaneous Wellness services to the City's thousand plus non-sworn employees. This includes Wellness incentives, competition, health screening, and one-on-one assessments and aide. This promotes a city organization that is service - sustainable and maintains employee morale. It assists employees with a work/life balance and making healthy choices.

BACKGROUND

A wellness program was re-established in our Police and Fire Departments. In 2015, our coordinator, Jim Jarvis, conducted one-on-one consultations, with 66% participation in Fire and 98% in Police. The wellness coordinator identified high blood pressure, and potential blood pressure issues, as well as weight issues in a significant number of those employees, and continues working with our employees to encourage improved fitness levels and decreased risk factors.

The City Council, at the recommendation of the Human Resources Department, approved funding for this program to expand to all employees in the 2015/2016 budget, as well as approval of Amendment One for budget year 2016/2017.

PRIOR CITY COUNCIL REVIEW

On June 18, 2015, the City Council by Resolution No. 28663 approved the Professional Services Agreement with Wellness Solutions, Inc.,

On June 2, 2016, City Council by Resolution No. 28806 approved the First Amendment to the Professional Services Agreement with Wellness Solutions, Inc.,

ANALYSIS

Since the Wellness program for miscellaneous employees began on 07/01/2015, the total incurred new worker's compensation claims for miscellaneous employees has continued to decrease by about 30% each year. For the first fiscal year after implementing the Wellness program (FY 15/16), the total incurred for new claims decreased by \$238,586 when compared with the FY 14/15 incurred totals. Based on claims received as of May 1, 2017, we are projecting the total incurred on new claims for FY 16/17 to be approximately \$411,412 less than the year prior to implementing the Wellness program (FY 14/15).

A recent study published in the Business Insurance publication on May 23, 2016 reveals the following findings. The study revealed that 74% of HR professionals believe offering a health and wellness program reduces employee health risks and 66% of these professionals believe these programs improve absenteeism.

The same study asked for the employee's opinions. 74% of those polled believe that health and wellness programs are a good business investment and 69% said that these programs improve attractiveness to potential employees.

FISCAL IMPACT

Approval of this action does not have a fiscal impact on the General Fund. This program has already been included in the Budget for FY 17/18.

ENVIRONMENTAL IMPACT

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

NOTIFICATION

Not applicable

ATTACHMENTS

- Resolution/Exhibit A Second Amendment to Professional Services Agreement

CONTACT

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