

**RESOLUTION NO. \_\_\_\_\_**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA**

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**RESOLUTION: A) ACCEPTING THE UNANIMOUS RECOMMENDATION OF THE DEFERRED COMPENSATION ADVISORY COMMITTEE AND BENEFITS LABOR COMMITTEE TO SELECT EDUCATORS BENEFIT CONSULTANTS, LLC D/B/A AVIBEN AS THE SERVICE PROVIDER FOR THE COUNTY'S RETIREE HEALTH REIMBURSEMENT ACCOUNT (RHRA) FOR EMPLOYEES; AND B) AUTHORIZING AN AGREEMENT WITH EDUCATORS BENEFIT CONSULTANTS, LLC D/B/A AVIBEN FOR RHRA PLAN ADMINISTRATION SERVICES FOR A THREE-YEAR PERIOD; WITH AN OPTION TO EXTEND FOR 2 ADDITIONAL ONE-YEAR TERMS**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, that

**WHEREAS**, since 2008, the County has maintained a Retiree Health Reimbursement Account (RHRA), an employer-funded plan that provides tax-free reimbursement to certain retirees for qualified medical expenses and insurance premiums, funded through a 115 trust fund; and

**WHEREAS**, the County's current provider for its RHRA plan is Aviben, formerly known as Educators Benefit Consultants. The current agreement with Aviben resulted from an Administrative Service Agreement that was originally signed on July 1, 2008 with Educators Benefit Corporation. The original RHRA plan covered a small number of management employees hired between July 1, 2008 through January 1, 2011 whose retiree health resolution included a small County contribution of \$50 per month into an HRA; and

**WHEREAS**, more recently, the County negotiated with several unions to include an employer and employee funded RHRA plan as part of a new retiree health benefit; and

**WHEREAS**, pursuant to its fiduciary duty on behalf of the County, the Deferred Compensation Advisory Committee (DCAC) and the Benefits Labor Committee initiated a Request for Proposal (RFP) in May 2023 to ensure that the County is receiving the best plan currently available in the marketplace; and

**WHEREAS**, while all proposals were competitive, the primary challenges were the providers' abilities to keep fees low for participants and to continue to offer great customer support with minimal transition for employees and retirees using the plan; and

**WHEREAS**, Aviben's cost was the lowest of all respondents; it reduces expenses by eliminating the current \$1 monthly fee and keeps fees low for participants, who will pay 0.14 percent per quarter (14 basis points [bps]) on plan assets; and

**WHEREAS**, the DCAC and the Benefits Labor Committee unanimously recommend selecting Aviben to remain the County's RHRA service provider; and

**WHEREAS**, HRA quarterly service fees will be paid by participating employees at no cost to the County; and

**WHEREAS**, the term of the Agreement is through December 2026, with two additional one-year extension options to be exercised at the County's discretion.

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** the Board of Supervisors accepts the recommendation to select Aviben as the County's RHRA service provider.

**BE IT FURTHER RESOLVED** that the President of this Board of Supervisors is hereby authorized and directed to execute said agreement for and on behalf of the County of San Mateo, and the Clerk of this Board shall attest the President's signature thereto.

**BE IT FURTHER RESOLVED** that the Board of Supervisors authorizes the Director of Human Resources or designee to execute contract amendments that modify the County's maximum fiscal obligation under the proposed agreement by no more than \$25,000 and/or modify the term and/or services as long as the modified term or services is/are within the current or revised fiscal provisions.

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