



MEMORANDUM

Date: November 30, 2010

To: The Honorable Chairman and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator 

Re: Pima Health System Proposed Action and Transition Plan – Supplemental Information

On November 29, 2010, the Board received my memorandum and accompanying report for the proposed transition of the Pima Health System (PHS) healthcare plan.

Attached for your information are the following supplemental items related to the Employee Transition component of the proposed transition plan:

- Transition Related Meetings Matrix
- Bridgeway/Centene PowerPoint Presentation for PHS Employee Meetings

If you have any questions regarding this information, please contact me.

CHH/mjk

Attachments

c: Dennis Douglas, Deputy County Administrator for Medical and Health Services
Honey Pivrotto, Assistant County Administrator for Health Policy
Patricia Alvarez Hurley, Director, Pima Health System

PIMA HEALTH SYSTEM / BRIDGEWAY HEALTH SOLUTIONS/PCOA
TRANSITION RELATED MEETINGS
Revised 11/29/10

DATE	MEETING / EVENT	TIME	CONFERENCE ROOM(S) RESERVED	COMMUNICATION TO EMPLOYEES	COMMENTS / BRIEF DESCRIPTION OF MEETING / EVENT
Tuesday November 30	General Staff Meeting	8:30 a – 9:30 a	1106/1108	To be distributed by email Monday 11/29 end of day.	Ginny to inform staff of memo to Board members and upcoming related activities. FAQ Handout for distribution (currently in draft; pending approval by HR & PHS)
	General Staff Meeting	10:00 a – 11:00 a	1106/1108	To be distributed by email Monday 11/29 end of day.	Ginny to inform staff of memo to Board members and upcoming related activities. (currently in draft; pending approval by HR & PHS)
Tuesday November 30	Transition Day Meeting(s): Distribution of Lay Off & Termination Notices & BW and PCOA Conditional Job Offer Letters & New Hire Packets	PHS/Nogales/ Santa Cruz: 10:00 a PHS/Pima: 2:00 p – 5:00 p	Nogales Office 1104 / 1106 / 1108 – Confirmed	Email Announcement in draft – (staff will be assigned alphabetically, in groups of approximately 25 to attend at approximately 20 min intervals) (SN, SR, GL)	Identified conference rooms are reserved from 2:00 p – 5:00 p. <ul style="list-style-type: none"> ▪ Provide employees with Layoff and/or Termination Notices from Pima County. (Termination letters for ACW / Unclassified / Classified-Initial Probation / Intermittent have been prepared & Ginny will sign by Friday 11/26) ▪ ACW notification time TBD ▪ A table will be available with bottled water, Kleenex, hard candy and EAP information. (staffed assigned – MC, SN, RP, RM – completed)

PIMA HEALTH SYSTEM / BRIDGEWAY HEALTH SOLUTIONS/PCOA
TRANSITION RELATED MEETINGS
Revised 11/29/10

<p>Tuesday November 30</p>	<p>Transition Day Meeting(s): Distribution of Lay Off & Termination Notices & BW and PCOA Conditional Job Offer Letters & New Hire Packets</p>	<p>Nogales: 10:00 a Pima: 2:00 p – 5:00 p</p>	<p>Nogales Office 1104 / 1106 / 1108 – Confirmed</p>	<p>Nogales Staff email notice sent Friday 11/26 for 10:00 am meeting</p>	<ul style="list-style-type: none"> ▪ Provide employees with: <ul style="list-style-type: none"> ▪ Conditional Job Offer letter from BW/PC. ▪ Conditional Job Offer letter from PCOA/PC. ▪ BW New Hire paperwork packets (copied & 200 ready for distribution) & Invitation for 12/1 BW Overview with scheduled session (scheduling & invites in process) (duplicate information for HCSS staff going to PCOA) ▪ Notification Flyer of PC HR Informational Meetings on 12/8 & 12/9 (completed & 200 copied and ready of distribution) ▪ Receipt Log for new hire paperwork, i.e., received/returned, has been created.) ▪ Lay off notices and packets will be handed out at 10:00 am <u>at the Nogales office</u> by representatives from HR with a PHS HR staff. (Discussed with Bill Hansel & which staff to be confirmed on Monday 11/29)
---------------------------------------	--	---	--	--	---

PIMA HEALTH SYSTEM / BRIDGEWAY HEALTH SOLUTIONS/PCOA
TRANSITION RELATED MEETINGS
Revised 11/29/10

Wednesday December 1	Bridgeway/ Centene Introduction Meeting(s)	<p>Session I: Sign In: 7:30 a Session: 8:00 - 10:00 a</p> <p>Session II: Sign In: 9:30 a Session: 10:00 - 12 n</p> <p>Session III: Sign In: 12:30 p Session: 1:00 – 3:00 p</p> <p>Session IV: Sign In: 2:30 p Session: 3:00 – 5:00 p</p>	1104 / 1106 / 1108 – Confirmed	<p>Individual announcements will be handed out with packets on Tuesday November 30 and instructions for scheduling conflicts.</p> <p>(Currently being prepared)</p>	<p>Identified conference rooms are reserved from 7:30 a – 5:00 p.</p> <ul style="list-style-type: none"> ▪ Stations for sign-in and receipt of paperwork organized. Retrieve Bridgeway New Hire paperwork from transitioning employees. (PHS staff identified & assigned to man the tables - completed) <i>(Need to request that BW have staff to review packets for completion and answer any questions-pending)</i> ▪ Bridgeway representatives will present information on benefits / payroll / online resources / etc. ▪ Laptop and projector have been reserved.
	<p>PCOA Introduction Meeting(s)</p> <p>Attendant Care Worker Meeting (s)</p>	<p>Time: 11:00 a- 12 n</p> <p>Date: Wednesday 12/1/10 5:30 p- 7:30 p</p>	4108 / 4110 – Confirmed	<p>Individual announcements will be handed out with packets on Tuesday November 30. (Currently being prepared)</p>	<ul style="list-style-type: none"> • HCSS staff - Will duplicate above for sign in and any receipt of paperwork. • PCOA Meeting with Attendant Care Workers

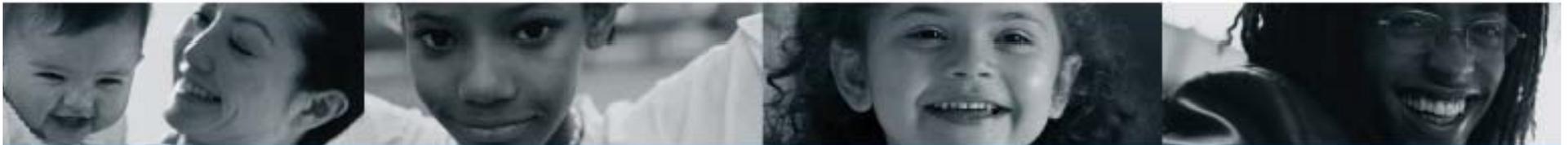
PIMA HEALTH SYSTEM / BRIDGEWAY HEALTH SOLUTIONS/PCOA
TRANSITION RELATED MEETINGS
Revised 11/29/10

Saturday December 4	Attendant Care Worker Meeting (s)	2 p – 4 p	1104/06/08 - Confirmed		<ul style="list-style-type: none"> • PCOA Meeting with Attendant Care Workers
Wednesday December 8	Pima County Human Resources Meeting	9:00 a – 12:00 p	1104 / 1106 / 1108 – Confirmed	Notice will be included in packet of information to be handed out on November 30 with follow up detailed email notifications to be distributed by Monday 12/6.	<p>Scheduled stations will include: Pima County HR representatives will conduct information sessions on:</p> <ul style="list-style-type: none"> • Lay off rights • Re-employment rights • COBRA <p>Representatives from Arizona State Retirement System (ASRS) Employee Assistance Program (EAP)</p>
Thursday December 9	Pima County Human Resources Meeting	1:30 p – 4:30 p	1104 / 1106 / 1108 – Confirmed	Notice will be included in packet of information to be handed out on November 30 with follow up detailed email notifications to be distributed by Monday 12/6.	<p>Scheduled stations will include: Pima County HR representatives will conduct information sessions on:</p> <ul style="list-style-type: none"> • Lay off rights • Re-employment rights • COBRA <p>Representatives from Arizona State Retirement System (ASRS) Employee Assistance Program (EAP)</p>

Bridgeway/Centene Overview

Pima Health Systems Employee Meetings

December 1, 2010



The Centene Difference

Presentation Outline



- ❖ Centene Overview
- ❖ Specialty Company Overview
- ❖ Bridgeway Overview
- ❖ Centene/Bridgeway Employment Practices
- ❖ Pay Procedures and Policies
- ❖ Centene Benefits



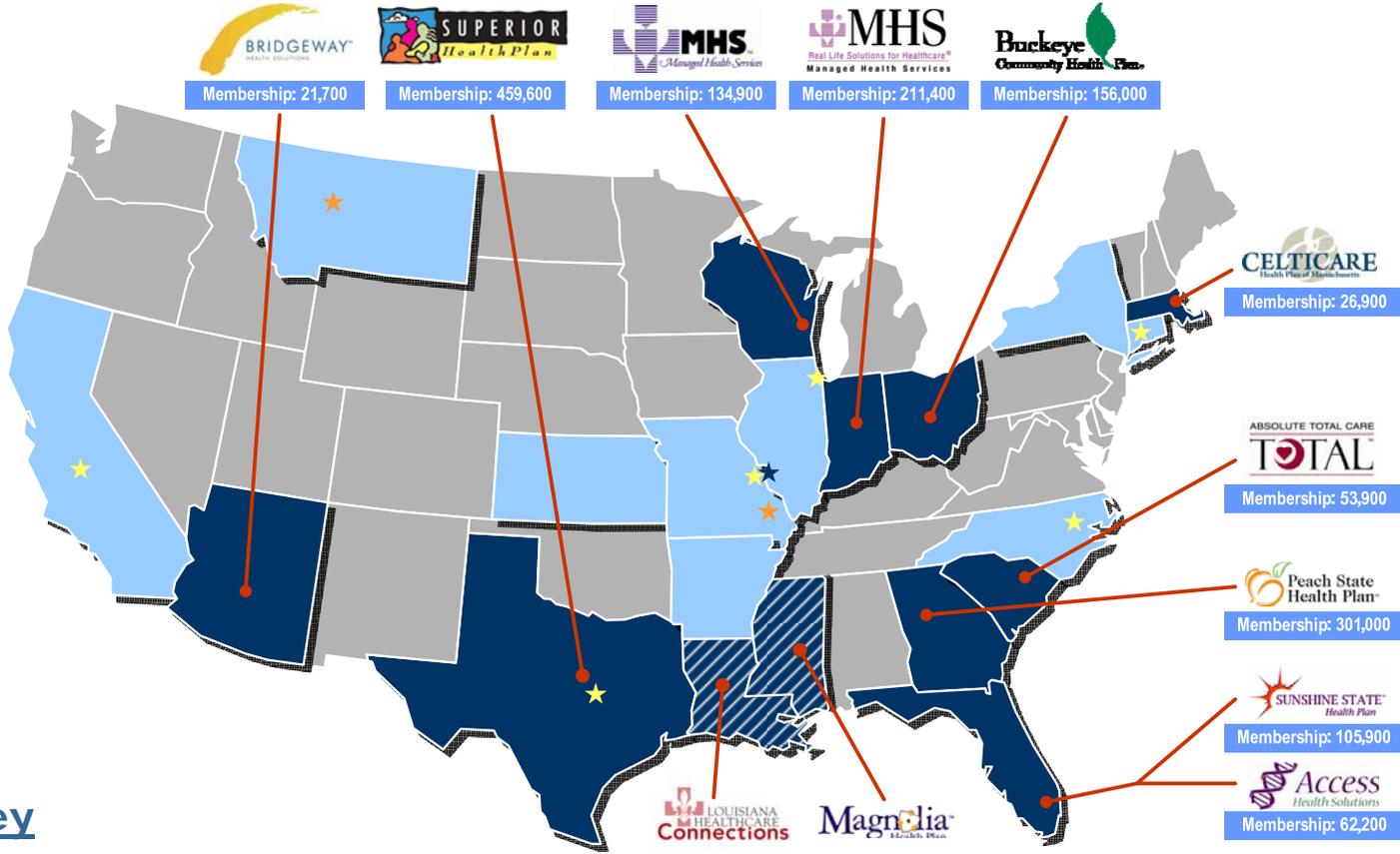
Centene Overview

Centene History and Scope



- ❖ Established in 1984 in Milwaukee, WI
- ❖ Headquartered in St. Louis, MO
- ❖ Employ approximately 4,000 individuals
- ❖ Serve approximately 1.5 million Medicaid members
- ❖ Currently operate health plans in 11 states
- ❖ Contract with ~81,000 physicians and ~950 hospitals
- ❖ A Fortune 500 company
- ❖ Revenue: \$4.1 billion
- ❖ NYSE: CNC

Current Centene Operations



Key

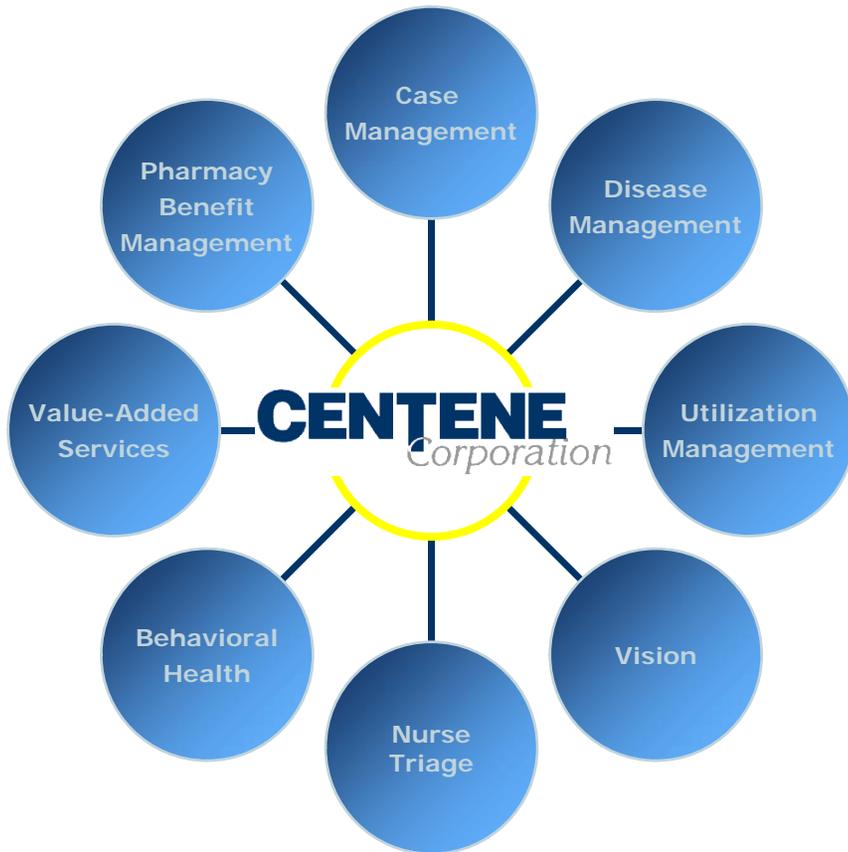
- States with Health Plan Membership
- States with Centene Operations
- Implementing Health Plans
- Centene Headquarters
- Headquarters for CenCorp Companies
- Centene Claims Processing Centers

Specialty Companies Overview



Centene Service Offerings

Care Coordination Services



Administrative Services





Centene Mission, Values, and Philosophy

Centene Mission



CENTENE[®] will provide
better healthcare outcomes
at lower costs

Centene Mission, Values & Philosophy



❖ Core Values and Philosophy

❖ Mission Focused

We achieve our mission of improving health outcomes at lower costs; and demonstrate value through the formation of strong relationships with government agencies, our provider networks and other stakeholders.

❖ Uncompromising Integrity

Our positive reputation is critical for long-term success. At Centene, we understand that we are each personally accountable to ensure that every decision and every action is made with the highest ethical standard, both professionally and personally. Accordingly, we abide by the Centene Code of Conduct and will act upon violations swiftly and decisively.

❖ Growth and Innovation Mind Set

Centene is a growth company in a growth industry. Our effectiveness depends on finding innovative solutions to market issues, continually improving our internal processes, adapting to changing market opportunities and supporting continual professional and technical development of our employees.

Centene Mission, Values & Philosophy



❖ Core Values and Philosophy (cont'd)

❖ *Communication with Candor and Respect*

We treat everyone with respect, whatever their role or position, and will work together recognizing behaviors of collaboration, candor and professionalism as the foundation of our culture. We value diversity and understand that innovation depends on collaboration. All our communication will be direct, open, honest and with regard for others throughout the organization.

❖ *Relentless Execution*

Our future depends on our ability to not just work hard, but to achieve positive results through consistent, disciplined effort and execution. We will take prudent risks, not tolerate silos and bureaucracy and invest in people, processes and tools that improve our ability to compete.



Bridgeway Health Solutions Overview



Bridgeway's Commitment



Bridgeway is committed to ensuring that members are involved in their care planning. We know that member outcomes are better when members and their families are involved.



Bridgeway Overview



Bridgeway Health Solutions is a wholly owned subsidiary of Centene Corporation that has been in operation since 2006. Bridgeway currently operates Long Term Care and Acute Medicaid managed care plans, as well as Medicare Special Needs plans throughout the State of Arizona.

Headquarters	Tempe, AZ
Other Office Locations	Yuma, Prescott & Tucson, AZ
Employees	144
Member Population	20,548 Medicaid 1,733 Medicare
Revenue	\$183M

Bridgeway Geographic Service Areas



Maricopa County

Yuma County

La Paz County

Yavapia County

Pima County

Bridgeway Products and Services

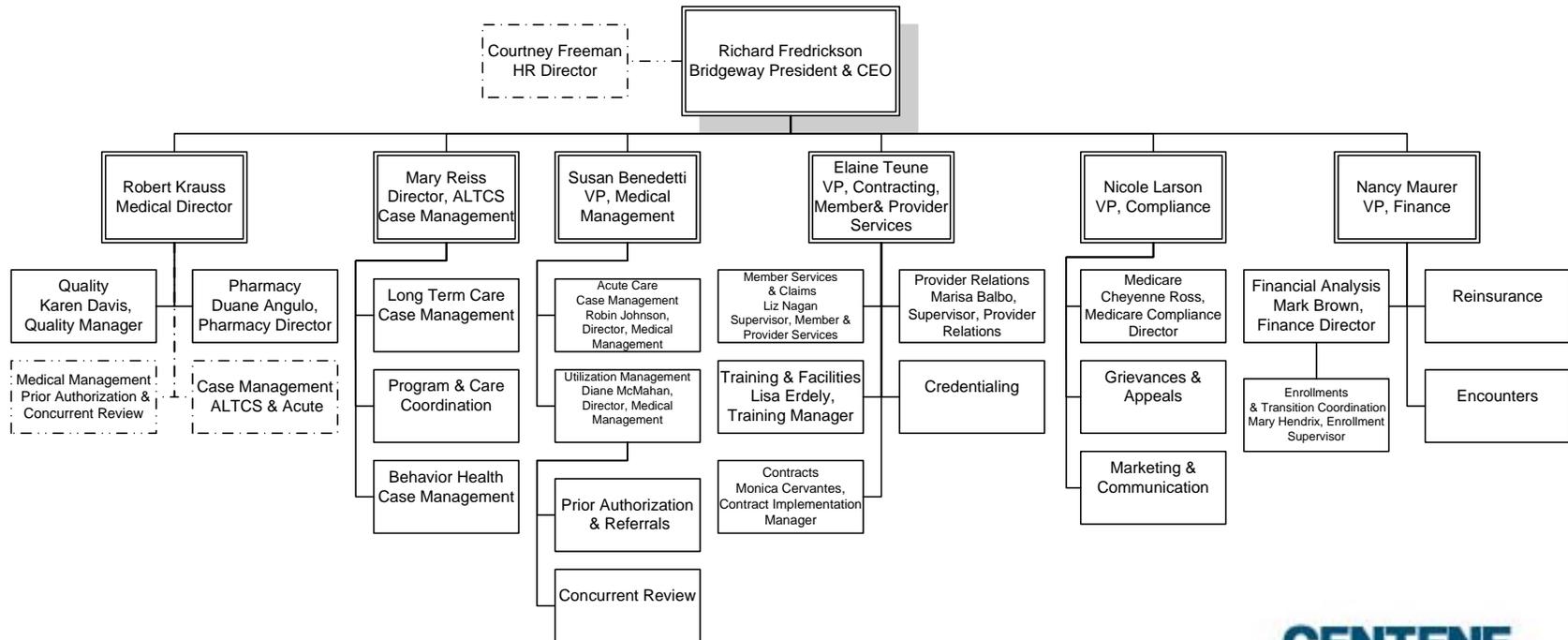


- ❖ **Advantage by Bridgeway Health Solutions**
- ❖ **Case Management**
- ❖ **MemberCONNECTIONS**
- ❖ **Disease Management**
- ❖ **Mental Health & Substance Abuse Management**
- ❖ **NurseWise**
- ❖ **Transportations**
- ❖ **Dental, Vision & Pharmacy**

Bridgeway Structure



Organizational Structure





Centene/Bridgeway Employment Practices

Employment Practices



❖ Employee Categories

❖ *Status*

Regular, full-time = 32 hours or more/week

Regular, part-time = 32 hours or less/week, services required consistently throughout the year

❖ *Classification*

Exempt = Exempt from overtime provisions of the Federal and State Wage & Hour laws

Non-Exempt = Eligible for overtime payment for hours worked in excess of 40 hours/week and covered by overtime provisions of Federal and State Wage & Hour laws

Employment Practices



❖ Anniversary/Service Date

- ❖ **Bridgeway/Centene will use original hire date with Pima County to calculate eligibility for most benefits**

❖ At-Will Employment

- ❖ **Your employment may be terminated with or without cause, and with or without notice, at any time by either Centene or yourself**

❖ Business Hours

- ❖ **Generally, normal hours of operation are 8:00 am - 5:00 pm local time**
- ❖ **Management may modify if it meets the business needs of the Company**

Pay Procedures and Policies



❖ Wage & Salary Policy

❖ Centene pays wages that are competitive in the marketplace in a way that will be motivational, fair and equitable, variable with individual and company performance and in compliance with all applicable statutory requirements

❖ Factors that may be considered:

- ❖ Nature and scope of job
- ❖ Market rates for comparable jobs
- ❖ Individual performance
- ❖ Internal equity

Pay Procedures and Policies



❖ General Pay Policies

- ❖ Paid on a bi-weekly basis every other Friday (or the business day prior to an official, company-observed holiday)
- ❖ Non-exempt employees paid one week in arrears
- ❖ Exempt employees paid current (although paycheck will reflect the non-exempt pay period dates)
- ❖ Work week begins Sunday at 12:00 am - Saturday at 11:59 pm

❖ First Paycheck for Pima Employees

- ❖ Exempt employees – January 7, 2011
- ❖ Non-exempt employees – January 21, 2011

Performance and Compensation



❖ Performance Appraisal

- ❖ Annual Evaluation in the quarter of employee's hire anniversary

❖ Compensation

- ❖ Merit increases are determined by performance and not guaranteed
- ❖ Annual merit increases are effective the last pay period of the date of hire anniversary quarter



Centene Benefits

Benefits



- ❖ Time Off
- ❖ Health Insurance
- ❖ Vision Insurance
- ❖ Dental Insurance
- ❖ Disability Insurance
- ❖ Life & AD&D Insurance
- ❖ Flexible Spending Account Program
- ❖ 401(k)
- ❖ Employee Stock Purchase Plan
- ❖ Health and Wellness
- ❖ Employee Assistance Program and FMLA
- ❖ Employee Referral Bonus

Centene Holidays



Holidays

- ❖ **New Year's Day**
- ❖ **Martin Luther King Jr.'s Birthday**
- ❖ **Spring Holiday**
- ❖ **Memorial Day**
- ❖ **Independence Day**
- ❖ **Labor Day**
- ❖ **Thanksgiving Day**
- ❖ **Day after Thanksgiving**
- ❖ **Christmas Eve-1/2 day**
- ❖ **Christmas Day**
- ❖ **New Year's Eve-1/2 day**
- ❖ **Floating Holiday***

*Determined by the Centene Chairman & CEO

2011 Holiday Schedule



New Year's Day

Martin Luther King Jr.'s Birthday

Spring Holiday

Memorial Day

Independence Day

Labor Day

Thanksgiving Day

Day After Thanksgiving

Christmas Eve (Observed)

Christmas Day (Observed)

New Year's Eve (Observed)

Floating Holiday

Monday, January 3, 2011

Monday, January 17, 2011

Friday, April 22, 2011

Monday, May 30, 2011

Monday, July 4, 2011

Monday, September 5, 2011

Thursday, November 24, 2011

Friday, November 25, 2011

Friday, December 23, 2011

Monday, December 26, 2011

Friday, December 30, 2011

*Split between Christmas Eve (Observed) and New Year's Eve (Observed) making them full day holidays instead of half day holidays

Vacation Time



Vacation Time

- ❖ **Granted every January 1**
- ❖ **Changes reflected on January 1st of the calendar year in which the employee would celebrate their 3, 5 or 8 year anniversary (regardless of the actual anniversary date)**

Vacation Time



(Vacation Time Cont'd) Regular, full-time employees:

Years of Employment

- ❖ Less than 1 up to 3
- ❖ 3 up to 5
- ❖ 5 up to 8

- ❖ 8 years and up

Vacation Time

80 hours

120 hours

120 hours + bonus equivalent to 20 hours of base pay less applicable taxes for managers, exempt professionals and non-exempt employees

160 hours and may choose to be paid for up to 40 hours in lieu of time off

Personal Time



Personal Time

- ❖ **Granted every January 1**
- ❖ **Regular, full-time employees eligible for 24 hours per calendar year**
- ❖ **Regular, part-time employees whose standard work week is 20 hours or more are eligible for 12 hours per calendar year**

Sick Time



Sick Time

- ❖ May be used for personal illness or illness of a child, spouse or parent who requires care
- ❖ Granted every January 1
- ❖ Regular, full-time employees eligible for 32 hours per calendar year

Health Insurance



Health Insurance – PPO Option

- ❖ **Eligibility: Full-time employees**
- ❖ **Enroll spouse, and/or dependent children under age 25**
- ❖ **4 Tiers: Emp only / Emp + Spouse / Emp + Child / Emp + Family**
- ❖ **Premium discount for:**
 - ❖ Non-tobacco users
 - ❖ Those actively participating in tobacco cessation program
- ❖ **Service provider is Blue Cross/Blue Shield of Illinois**
- ❖ **Company pays ~80% of premium cost**

Health Insurance



Health Insurance – HDHP Option

- ❖ Centene will contribute “seed money” on a per-pay-period basis to HSA accounts for participating employees
 - ❖ \$1,000/plan year employee only coverage
 - ❖ \$2,000/plan year family coverage
- ❖ Employees may also contribute to their HSA account through pre-tax payroll deductions
- ❖ 2011 HSA maximums (combined employee and employer contributions)
 - ❖ \$3,050 for employee only coverage
 - ❖ \$6,150 for family coverage.
 - ❖ Individuals 55 and older may contribute an additional \$1,000/plan year in “catch-up” contributions
- ❖ Service provider is Blue Cross/Blue Shield of Illinois
- ❖ Company pays ~80% of premium cost

Centene Health Insurance Options

PPO versus HDHP Plans

BCBS of IL	PPO 2011		HDHP 2011	
	In-Network	Out-of-Network	In-Network	Out-of-Network
Lifetime Maximum	Unlimited	Unlimited	Unlimited	Unlimited
Deductible				
Single	n/a	\$750	\$1,500*	\$3,000*
Family	n/a	\$1,500	\$3,000*	\$6,000*
Centene Seed Money				
Single			\$1,000	
Family			\$2,000	
Out-of-Pocket Maximum (excludes Deductible)				
Single	\$1,000	\$3,000	\$5,950	\$10,000
Family	\$3,000	\$9,000	\$11,900	\$24,000
Outpatient Coinsurance	100%	70%	90%	70%
Primary Care / Specialist	\$20 / \$40	80%	90% after deductible	70% after deductible
Urgent Care	\$40	80%	90% after deductible	70% after deductible
Emergency Room	\$200 copay (waived if admitted)		90% after deductible	70% after deductible
Inpatient Hospital	\$200 per admission	70%	90% after deductible	70% after deductible
Immunizations	100%	70%	100%	70%
Preventive Care	100%	100%	100%	100%
Prescription Drugs				
Retail Copays (30 day supply)	Retail Copays (30 day supply)	Mail Order Copays (90 day supply)	Retail Copays (30 day supply)	Mail Order Copays (90 day supply)
Generic	\$8	\$16	90% after deductible	90% after deductible
Brand	\$30	\$60	90% after deductible	90% after deductible
Non-preferred Brand	\$50	\$100	90% after deductible	90% after deductible

*Individuals with family coverage must satisfy the entire *family* deductible before benefits are paid

Dental and Vision Insurance



Dental Insurance

- ❖ **Eligibility:** Full-time employees
- ❖ **Enroll spouse, and/or dependent children under age 25**
- ❖ **4 Tiers:** Emp only / Emp + Spouse / Emp + Child / Emp + Family
- ❖ **Company pays ~80% of premium cost**
- ❖ **Service provider is Delta Dental of Missouri**

Vision Insurance

- ❖ **Eligibility:** Full-time employees
- ❖ **Enroll spouse, and/or dependent children under age 25**
- ❖ **3 Tiers:** Emp only / Emp + 1 dependent / Emp + 2 or more dependents
- ❖ **Company pays ~80% of premium cost**
- ❖ **Service provider is Opticare**

Short-Term Disability



Eligibility: Full-time employees

Benefit	60% of pay
Maximum weekly benefit	\$2,500
Waiting period	0 days for accident 7 days for sickness
Benefit duration	13 weeks

100% company-paid benefit

Long Term Disability



Eligibility: Full-time employees

Benefit	60% of pay
Maximum monthly benefit	\$11,000
Elimination period	90 days

If you choose **EMPLOYER PAID** coverage you will not have a payroll deduction; however, disability benefits will be subject to taxes.

If you choose **EMPLOYEE PAID** coverage through an after tax payroll deduction, disability benefits received will not be subject to taxes.

Life Insurance/AD&D



Company Paid Basic Life Insurance

- ❖ One times annual salary rounded to next thousand
- ❖ Coverage amounts updated for salary increases on January 1 during annual enrollment

Employee Paid Supplemental Life Insurance

- ❖ Choose 1, 2, 3, 4, or 5 times annual salary
- ❖ Coverage amounts and premiums updated for salary increases and changes in age annually January 1

Accidental Death & Dismemberment (AD&D) Insurance

- ❖ Supplementation option of 1 times annual salary
- ❖ Company-paid benefit

Flexible Spending



- ❖ Manual claim process or use “My Benny” Card
- ❖ Use pre-tax dollars to pay for eligible health care, dependent care & mass transit expenses
 - ❖ RX co-pays
 - ❖ Orthodontics
 - ❖ Doctor & emergency room co-pays
 - ❖ Lasik surgery
 - ❖ Health plan deductibles & coinsurance
 - ❖ Eyeglasses & contacts
 - ❖ Out-of-pocket dentist or other provider fees
 - ❖ Daycare
 - ❖ Mass transportation to work (bus, subway)
 - ❖ After-school care



401(k) Retirement Plan



❖ Eligibility & Entry

- ❖ Must be 21 years of age
- ❖ Eligible to participate 1/1/11

❖ **Salary Deferral** – employees automatically enrolled at 4% - amount may be changed or stopped per pay period

❖ **Contribute 1-80% of bi-weekly pay**

❖ Contribution options

- ❖ Traditional pre-tax
- ❖ Roth post-tax

❖ **Employer match** – 50% of the first 6% of employee contribution

❖ **5-year vesting schedule**

Employee Stock Purchase Program



- ❖ **Eligible during open enrollment periods**
- ❖ **Must work 20 hours per week & at least 5 months in a calendar year**
- ❖ **Open enrollment is held in the months prior to each quarter (March, June, September, December)**
- ❖ **Deductions**
 - ❖ 1% to 10% of pay to a maximum annual salary of \$100,000
 - ❖ Deductions may be decreased or discontinued once during any offering period
 - ❖ Increases only allowed during quarterly open enrollment.
- ❖ **The price/share will be 95% of the closing price on the last business day of the offering period**

Health and Wellness



Centene encourages and supports wellness for our employees by providing the necessary education, tools, and resources to promote a balanced, healthy lifestyle.

- ❖ **Voluntary, confidential, and FREE for all Centene employees and their spouses**
 - ❖ Speak with a Lifestyle Coach
 - ❖ Participate in a Lifestyle or Disease Management Program
 - ❖ FREE Tobacco Cessation program & products
 - ❖ Track healthy activities and measure your progress on confidential webpage
 - ❖ Receive incentives for participation
 - ❖ Annual Biometrics Screenings & Health Risk Assessments
 - ❖ Much more!

Healthy Pathways

CENTENE
Corporation

Employee Assistance Program and FMLA



❖ Employee Assistance Program

- ❖ Available for all employees & their families at no cost
- ❖ Helps balance work & life issues by providing resources for your needs
- ❖ Services are free, confidential, & accessible 24/7/365

❖ Family Medical Leave (FMLA)

- ❖ Effective 1/1/11, FMLA for Pima employees will be managed by our administrator, The Hartford
- ❖ Release forms

Referral Bonus Program



Eligibility: Regular employee, employed at time of scheduled payouts

- ❖ **Ineligible:** Officers, HR employees, hiring supervisor, family members of the candidate
- ❖ **Bonus Amounts by Position:**
 - ❖ Directors & Managers - \$4,000
 - ❖ Case Managers & Exempt IS Professionals - \$3,000
 - ❖ Supervisors and Exempt Professionals - \$1,500
 - ❖ Non-Exempt - \$500
- ❖ **Paid in 2 increments - one upon hire and one after 6 months of employment**
- ❖ **Candidate must document you as the referral source on the employment application**

Benefits Enrollment Timeline



- ❖ December 1st- Employee and benefit meetings
- ❖ Benefit Enrollment Period
 - ❖ **12/7/10 - 12/17/10**
- ❖ December 22nd- Enrollment data sent to carriers
- ❖ January 1, 2011-Employee Benefits Effective
 - ❖ **Health Insurance Cards**



QUESTIONS/COMMENTS?