

COUNCIL COMMUNICATION

From: The City Manager

Subject: BASIC Business Association Agreement

Manager's Recommendation:

I recommend that the Business Association Agreement with Benefit Administration Services International Corporation, a/k/a, BASIC and the City of Saginaw be approved so that BASIC or Business Associate can have access to Protected Health Information (PHI) in order to administer health care transactions for the City of Saginaw as provided for in the current approved service contract with BASIC. The Agreement has been approved by me as to substance and the City Attorney as to form. It is further recommended that City Council authorize, Dennis Jordan, Director of the Office of Employee Services, to execute the Agreement.

This vendor meets all requirements of the Contract Compliance Provisions, Title 1, Chapter 14, §14.35-14.44, of the Saginaw Code of Ordinances.

Justification:

This agreement is a release that will allow BASIC to process benefits and claims that will keep the City of Saginaw in compliance with the Standards for Privacy of Individually Identifiable Health Information (the "Privacy Standards") set forth by the U.S. Department of Health and Human Services ("HHS") pursuant to the Health Insurance Portability and Accountability Act of 1996, ("HIPAA") and amended by the Health Information Technology for Economic and Clinical Health Act ("HITECH Act"), part of the American Recovery and Reinvestment Act of 2009 ("ARRA") and the Genetic Information Nondiscrimination Act of 2008 ("GINA").

BASIC has been the provider for the City since 1999. They have facilitated the federally required COBRA responsibilities and other benefit programs, such as the Flexible Spending Account and the Dependent Verification program.

Council Action:

Council _____ moved that the recommendation of the City Manager be approved.