



MEMORANDUM

TO: Health Care Commission
Steve Dechant
Sandy Praeger
Nancy Ruoff
John Staton
Dennis Taylor

FROM: Mike Michael

DATE: April 1, 2011

SUBJECT: **Renewal of the Employee Assistance Program**

The State Employee Health Plan (SEHP) contracts with Alternatives EAP for the administration of the Employee Assistance Program (EAP). The current contract with Alternatives EAP is set to expire on December 31, 2011. The contract allows for the SEHP, at its option, to renew the contract for an additional agreed upon term. Alternatives EAP has presented a proposal to the SEHP to extend the current contract with a 5.76% increase. EAP has not increased the contract price in previous 7 years. This contract extension would be for the period January 1, 2012, through December 31, 2013.

Recommendation:

Staff recommends that the Health Care Commission approve an extension of the current Alternatives EAP contract through December 31, 2013.