



Metro

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**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE
JUNE 18, 2009**

**SUBJECT: PS62502297, EMPLOYEE ASSISTANCE PROGRAM
COMPSYCH CORPORATION**

**ACTION: AWARD CONTRACT FOR EMPLOYEE ASSISTANCE PROGRAM
SERVICES**

RECOMMENDATION

Authorize the Chief Executive Officer to award a six-year firm fixed unit rate contract, Contract No. PS62502297, to ComPsych Corporation for Employee Assistance Program (EAP) services in an amount not to exceed \$986,400 inclusive of three one-year options effective October 1, 2009.

RATIONALE

Metro is committed to providing a safe and healthy work environment for its employees. The Employee Assistance Program is a business tool designed to help employees resolve personal or family concerns that could potentially impair their job performance. The program offers a friendly, accessible and confidential forum wherein licensed professionals identify stressors, explore behavioral changes, and provide support and resources that enable the employee to solve personal problems. Assistance includes child and elder care referrals as well as legal and financial guidance. The program is a benefit available to all employees and their immediate family members on a voluntary basis, unless the employee is referred on a mandatory basis after a major violation of a Metro policy. Metro and its predecessor agencies have continuously provided an EAP since 1981.

EAP also serves as a resource to managers in dealing with employees experiencing personal problems affecting job performance, conduct, and reliability. EAP interventions act to reduce distress and provide the skills necessary to handle personal and work-related problems more effectively. This comprehensive service also includes crisis management counseling for traumatic events, including immediate intervention following serious bus and rail accidents, and other tragic events that could impact the Metro workforce.

Finally, EAP is a vital component of Metro's overall effort to comply with federal regulations governing the prevention of drug abuse and alcohol misuse in transit operations. Specifically, our EAP provider includes the mandated services of a Substance Abuse Professional (SAP) that are required when an employee tests positive for drugs or alcohol. The primary role of the SAP is to evaluate the employee and coordinate rehabilitation in order to ensure the safety of the traveling public.

FINANCIAL IMPACT

The funding of \$183,000 for EAP services is included in the FY10 budget in cost center 6250, Human Resources Department as follows:

ACCOUNT	PROJECT	TASK
50316	100030	06.06
50316	100040	06.06
50316	100060	06.06
50316	100070	06.06
50316	100080	06.06

Since this is a multi-year contract, the Cost Center Manager and Executive Officer will be accountable for budgeting the costs in future years. In FY09 approximately \$170,000 will be spent for these services.

The source of funding for this contract is a combination of Enterprise Funds (80%) and Prop A and C administrative funds (20%). The Enterprise Funds are eligible for bus and rail operating and capital expenses.

ALTERNATIVES CONSIDERED

Perform services in-house. This option is not a viable alternative, because an in-house EAP program staffed by Metro employees could only provide a limited portion of the needed services and expertise. Contracted services of professionally certified counselors with diverse backgrounds and specializations also would still need to be obtained by Metro if the subject services were brought in-house. Difficulties would also be encountered in serving the multiple locations and large number of family members throughout the local geographic area, as well as overcoming employee concerns about confidentiality issues. Metro has no history or experience with an internal EAP. Not only would Metro need to undertake costly recruitment and training of Metro staff to perform these services, Metro would also assume direct liability for any potential claims of malpractice. This is not a feasible alternative and therefore, is not recommended.

ATTACHMENTS

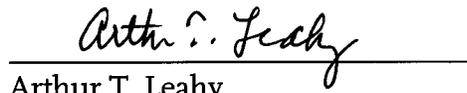
- A. Procurement Summary
- A-1. Procurement History
- A-2. List of Subcontractors

Prepared by:

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Lonnie Mitchell
Chief Administrative Services Officer



Arthur T. Leahy
Chief Executive Officer

**BOARD REPORT ATTACHMENT A
PROCUREMENT SUMMARY**

EMPLOYEE ASSISTANCE PROGRAM

1.	Contract Number: PS62502297		
2.	Recommended Vendor: ComPsych Corporation		
3.	Cost/Price Analysis Information:		
	A. Bid/Proposed Price: \$986,400	Recommended Price: \$986,400	
	B. Details of Significant Variances are in Attachment A-1.D		
4.	Contract Type: Fixed Unit Rate		
5.	Procurement Dates:		
	A. Issued: January 16, 2009		
	B. Advertised: January 15 & 22, 2009		
	C. Pre-proposal Conference: February 4, 2009		
	D. Proposals Due: February 25, 2009		
	E. Pre-Qualification Completed: March 27, 2009		
	F. Conflict of Interest Form Submitted to Ethics: April 13, 2009		
6.	Small Business Participation:		
	A. Bid/Proposal Goal: 6.0% DALP	Date Small Business Evaluation Completed: May 5, 2009	
	B. Small Business Commitment: 7.42% (Details are in Attachment A-2)		
7.	Invitation for Bid/Request for Proposal Data:		
	Notifications Sent: None	Bids/Proposals Picked up: 31	Bids/Proposals Received: 7
8.	Evaluation Information:		
	A. Bidders/Proposers Names:	<u>Bid/Proposal Amount:</u>	<u>Best and Final Offer Amount:</u>
	ComPsych Corporation	\$ 986,400	\$ 986,400
	Deer Oaks EAP Services, LLC	\$ 755,400	\$ 755,400
	Horizon Health	\$ 784,800	\$ 784,800
	Managed Health Network	\$1,263,600	\$1,263,600
	Value Options, Inc.	\$1,112,400	\$1,112,400
	Janus Associates, Inc. dba Business Health Services	\$1,328,400	\$1,328,400
	ACI Enterprises, Inc.	\$1,383,600	\$1,383,600
	B. Evaluation Methodology: Best Value, Numerically Scored Details are in Attachment A-1.C		
9.	Protest Information:		
	A. Protest Period End Date: June 23, 2009		
	B. Protest Receipt Date: N/A		
	C. Disposition of Protest Date: N/A		
10.	Contract Administrator: Maria V. Lechuga	Telephone Number: (213) 922-7206	
11.	Project Manager: Carol Holben	Telephone Number: (213) 922-4867	

**BOARD REPORT ATTACHMENT A-1
PROCUREMENT HISTORY**

EMPLOYEE ASSISTANCE PROGRAM

A. Background on Contractor

ComPsych Corporation was founded in 1984 and is the largest provider of Employee Assistance Program services in the United States. The firm is headquartered in Chicago, Illinois and provides services to more than 29 million individuals and 11,000 organizations throughout the United States and 92 countries. Clients range from Fortune 500 companies to smaller private and public organizations as well as multiple government and transit agencies, including the Internal Revenue Service, Chicago Transit Authority, MARTA and Baltimore County. ComPsych has been the EAP for Metro since October 2004. During the past five years, ComPsych has consistently strived to provide excellent service and meet the ever changing needs and expectations of Metro.

B. Procurement Background

An explicit factor source selection methodology, evaluating price and other non-price factors, was used for this procurement. Contractors were required to pass the minimum qualifications requirements in order to be evaluated further using the weighted factor scoring criteria. A Source Selection Committee (SSC) consisting of a diverse group of managers from varied Metro departments was assembled to evaluate the proposals.

C. Evaluation of Proposals

The procurement process for this contract was in compliance with Metro's Procurement Policy Manual. Seven proposals were received. The SSC evaluated these on the basis of minimum qualifications and weighted guidelines. All proposals received met the minimum qualifications set forth in the solicitation. Proposals were then evaluated and scored based on firm qualifications, program management and administration, proposed service delivery plans for EAP intake, assessment and referral, training, and price. The SSC recommended award to ComPsych, the proposer earning the highest total evaluation score. The explicit factor selection was chosen to offset the potential for a proposer to under price its services to secure a contract award with the intent to deliver minimal services (see e.g., *Journal of Employee Assistance, 3rd Quarter 2003 and 2nd Quarter 2008*). The success and value of the EAP is dependent upon employee trust and satisfaction, and basing selection solely on lowest price could jeopardize the integrity and efficacy of the EAP program.

D. Cost/Price Analysis Explanation of Variances

Effective competition was obtained with proposals from seven companies. The recommended price has been determined to be fair and reasonable based upon historical pricing for comparable services and the existence of adequate price competition. In fact, the recommended price is the same as the current pricing of \$1.37 per employee per month.

BOARD REPORT ATTACHMENT A-2
LIST OF SUBCONTRACTORS

PS62502297, EMPLOYEE ASSISTANCE PROGRAM
COMPSYCH CORPORATION

PRIME CONTRACTOR –

ComPsych

Small Business Commitment

Saundra J. Edwards, LMFT 4.78%
World's Printing & Specialties Co., Ltd. 2.63%

Other Subcontractors

Robert Lark, LMFT, NAADAC
Hope Morrow, LMFT

Total DBE Commitment: 7.42%