



Agenda Item No. (4)

To: Rules, Policy and Industrial Relations Committee/Committee of the Whole
Meeting of April 23, 2026

From: Stephanie LaRue, Human Resources Manager
Kellee J. Hopper, Deputy General Manager, Administration and Development
Denis J. Mulligan, General Manager

Subject: **AUTHORIZE EXECUTION OF THE FIRST AMENDMENT TO
CONTRACT NO. 2020-D-050, HRA, FSA, AND RETIREE PREMIUM
PAYMENT BENEFIT ADMINISTRATION SERVICES, WITH NAVIA
BENEFIT SOLUTIONS, INC.**

Recommendation

The Rules, Policy and Industrial Relations Committee recommends that the Board of Directors authorize execution of the First Amendment to Contract No. 2020-D-050, *HRA, FSA and Retiree Premium Payment Benefit Administration Services*, with Navia Benefit Solutions Inc., to provide benefit administration services as part of the CalPERS Health Benefit Transition, for a total not-to-exceed amount of \$459,000 for a term through December 31, 2030, provided funding is available within the Golden Gate Bridge, Highway and Transportation District's annual budget.

This matter will be presented to the Board of Directors at its April 24, 2026, meeting for appropriate action.

Background

At the Board of Directors (Board) meeting on September 11, 2020, the Board approved the execution of Contract No. 2020-D-050, *HRA, FSA and Retiree Premium Payment Benefit Administration Services*, with Navia Benefit Solutions Inc., to provide benefit administration services as part of the CalPERS Health Benefit Transition, for a three-year base term with two one-year extensions, exercisable at the discretion of the General Manager.

The Health Reimbursement Arrangement and retiree premium reimbursement components involved with this transition have many complexities, including the requirement of a debit card and financial clearinghouse for participating employees. The Golden Gate Bridge, Highway and Transportation District (District) does not have the internal resources (human or technology) to administer the contract without utilizing a third-party administrator.

For the past five years, Navia has performed these services for the District. Given that the CalPERS Health Benefit program operates on a calendar year cycle, staff recommends that the benefit administration services portion of the District's benefits program also be on the same cycle.

Historically, the District has engaged the benefit broker in negotiating contract renewals and extensions regarding employee and retiree benefits. The current benefit broker, USI, conducted market research on behalf of the District to which there were three responses. USI and District staff interviewed and held vendor demonstrations with the top two, one of which was Navia. It was determined due to the many complexities within the District's plan administration set-up and the significant operational effort that would be required to change benefit providers, it would be in the District's best interest to remain with Navia. In addition, Navia offered to maintain the same cost of services as outlined in the original agreement with a rate hold through December 31, 2030 at a cost to exceed \$459,000. The amendment includes the monthly per-employee administration fees, transaction fees, regulatory fees, as well as Electronic Transaction Fees charged via the debit card. The agreement covers benefit administration services for all active and retired employees and will be implemented as applicable.

Fiscal Impact

The total cost of the First Amendment of professional services relative to Best Interest No. 2020-D-050, *HRA, FSA and Retiree Premium Payment Benefit Administration Services*, which extends the term of the agreement through December 31, 2030, is \$459,000. The required funds for this agreement will be budgeted in the District Division's FY 26/27 and subsequent fiscal years operating budgets.