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INFORMATION ON

# Pay or Play Program (POP)

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## *Purpose*

The **Pay or Play** Program aims to level the playing field for contracts between bidders that choose to offer health benefits to their workforce and those do not and offset the cost of providing healthcare to uninsured people in the Houston/Harris County area.



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# Pay or Play Program Overview



POP was established by Ordinance in July 2007 and is governed by Executive Order 1-7.

## POP is applicable to:

- City of Houston prime contracts that are valued at or over \$100,000
- Related subcontracts valued at or over \$200,000.

## POP is NOT applicable to:

- Contracts whose primary purpose is for the procurement of property, goods, supplies and/or equipment, inter-governmental contracts, intergovernmental agreements or cooperative purchasing agreements.

# Pay or Play Program Overview



## **Executive Order 1-7:**

Mandates that contractors provide employees a minimal level of healthcare benefits or to contribute a designated amount to the Contractors Responsibility Fund. The Contractors Responsibility Fund will be used to provide healthcare services to uninsured person in the Houston area and POP administrative cost.

# Pay or Play Program Rules



**Contractor must declare its intent to comply with POP prior to the commencement of the contract.**  
*Contractor may comply by:*

## PLAY

- Contractor will provide documentary proof that it provides health benefits to each covered employee, and that covered employees of covered Subcontractors are provided health benefits.

## PAY

- Contractor will pay to the City \$1 for each regular hour of work performed by covered employees, including covered employees of covered Subcontractors.

The health benefits must meet or exceed the following standards:

1. The employer contributes no less than 75% per covered employee per month toward the total premium cost; and
2. The covered employee contributes, no greater than 25% of the total monthly premium cost .

# Pay or Play Program Rules



A Contractor may decide to  
**“Pay”**  
for a portion of covered  
employees and  
**“Play”**  
for the remaining of covered  
employees (“Both”).

Covered employees include individuals  
who are  
**over 18 years of age,**  
work at least  
**30 hours per week**  
with any amount of time worked on the  
covered City contract or Subcontractor.



# POP Exemptions and Waivers



## Exemptions:

- The City of Houston may award a contract to a Contractor that neither Pays nor Plays only if the contractor has received an approved waiver. The contracting department must submit a Contractor/Subcontractor Exemption Request Form (POP-4) on the Contractors behalf to the Office of Business Opportunity for approval, prior to City Council contract award.

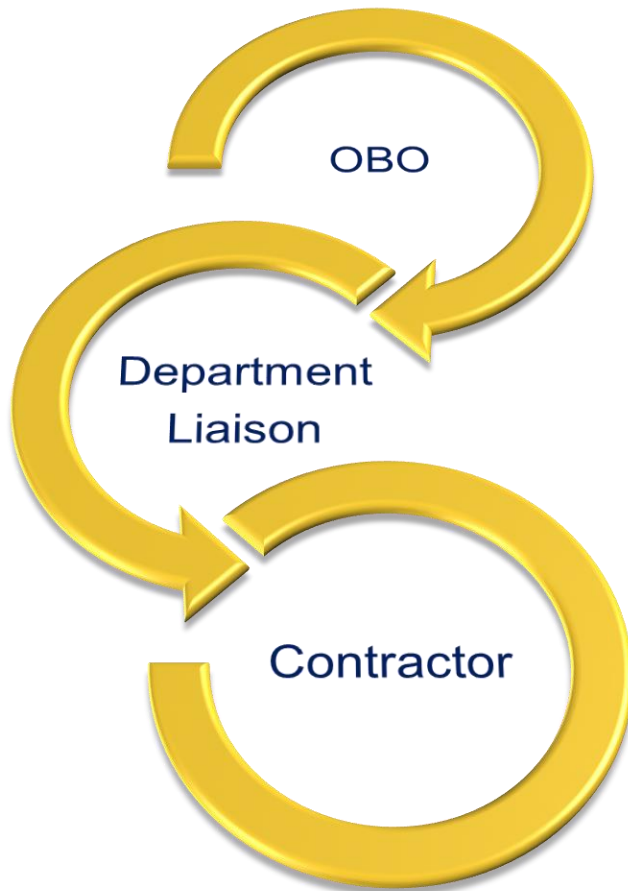
## Employee Waiver Request:

- Contractor may request employee POP program waiver by submitting a request on the Employee Waiver Form (POP-8); if the employee is less than 18 years old, employee has other health coverage such as through spouse/parents or Medicare/Medicaid.
- **\*Note: Proof of coverage must be provided in the form of a copy of the employee's insurance/Medicaid card (Remove social security numbers).**





# POP Administration



Contractor performance in meeting Pay or Play program requirements will be managed by the contracting City departments. The Office of Business Opportunity (OBO) has administrative oversight of the program, including audit responsibilities.

Questions about the program should be referred to the contracting City departments POP Liaison.

An updated contact list is available on <http://www.houstontx.gov/obo/popforms.html> or contact the POP Office of Business Opportunity Administrator at 832-393-0633.

# POP Management System



[OUR MAIN SITE](#)

[CONTACT SUPPORT](#)



Pay or Play is managed through an online Workforce Utilization Module (sometimes referred to as B2G) developed to collect and analyze POP reporting activities and generate POP invoices.

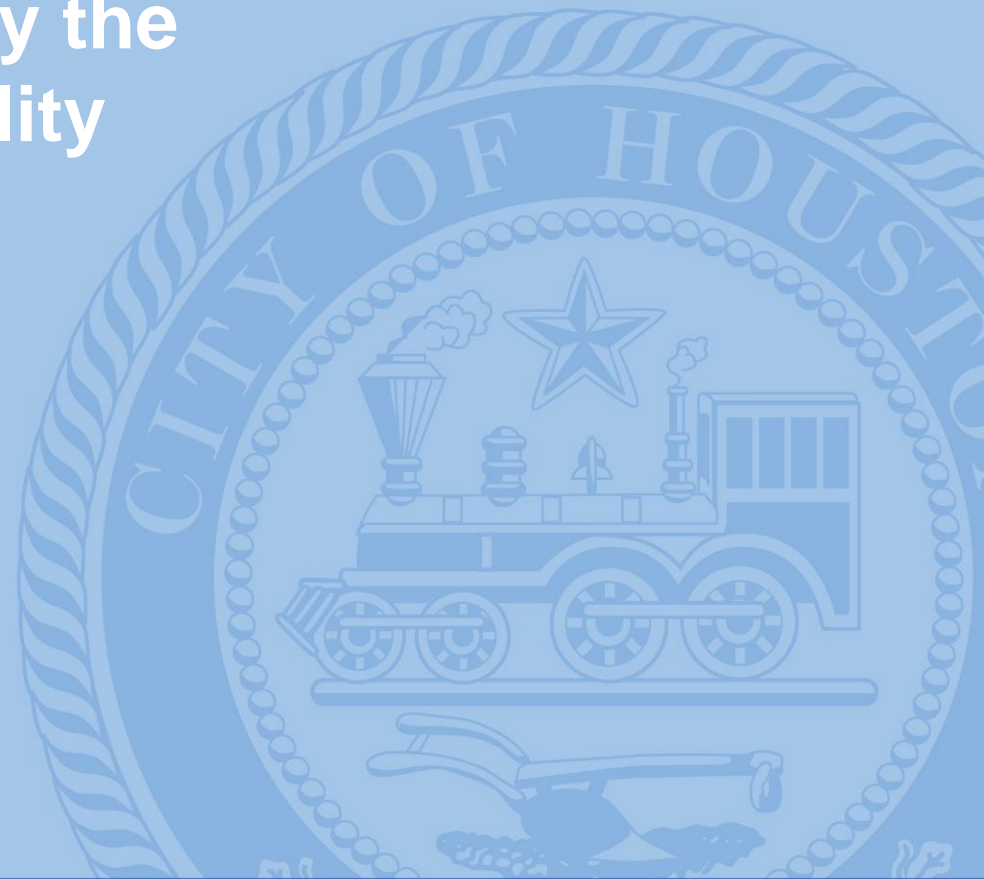
<https://houston.mwdbe.com/?TN=Houston>



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# Programs Supported by the Contractor Responsibility Fund (CRF)



# Programs Supported by the CRF



## The Emergency Telehealth and Navigation Program (ETHAN)

ETHAN is a collaboration between Harris County Healthcare Alliance, HFD, HHS, Harris County RIDES, Greater Houston HealthConnect, The Clinton Foundation and Community Health Centers. This program provides non-emergent 911 callers with the option of a no-cost taxi ride to an emergency room or a community health center. It also provides the option of scheduling an appointment at a community health center at no charge to the caller.



An HFD unit response

cost an average of  
**\$1,600**

**3,334** **FY 2019**

City of Houston **residents** and **visitors** were served

**92%**

were dispositioned by Emergency Medical  
ETHAN Physicians for non-Houston Fire  
Department ambulance transportation



**ETHAN** has served over

**24,441**

*Clients since inception*



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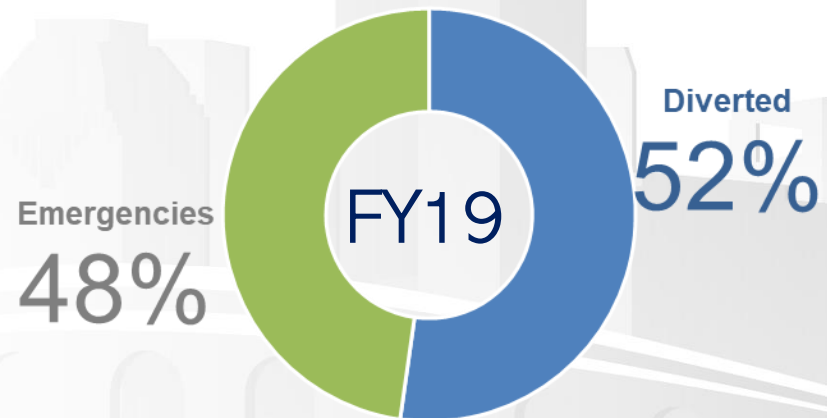
# Programs Supported by the CRF



## Crisis Call Diversion

The City of Houston is the home of the first of its kind Crisis Call Diversion (CCD) program in the United States. This innovative program co-locates Crisis Phone Counselors from The Harris Center for Mental Health and Intellectual and Developmental Disabilities inside the Houston Emergency Communication Center (HEC) to work alongside Houston Police and Houston Fire Department Dispatchers with the intention of diverting non-imminent risk mental health related calls away from first responders and toward a more appropriate mental health response.

*The City of Houston realized*  
**\$1,244,240**  
*of savings*  
*on Emergency First*  
*Responder resources.*



# Programs Supported by the CRF



## Client Access Program

Care Houston is a collaboration between the Houston Fire Department (HFD) and the Houston Health and Human Services Department (HHS) with the express purpose of decreasing the volume of non-emergency calls for emergency medical services (EMS) and reducing the use of HFD personnel for nonemergency responses.

How the program works:

- EMS identifies residents who have made more than five emergency calls in a 90-day period and provides the residents' contact information to HHS.
- HHS staff reaches out to each resident to determine whether she/he agrees to participate in the Care Houston Program.
- If the resident agrees to participate, a nurse case manager makes a home visit, conducts a needs assessment, assists the resident in devising a service plan, and provides social and medical referrals as needed.





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# POP Forms

*Form POP-1 Pay of Play Acknowledgement*

*Form POP-2 Certification of Compliance with Pay or Play Program*

*Form POP-3 List of Participating Subcontractors*

*Form POP-4 Contractor/Subcontractor Exemption Request*

*Form POP-8 Employee Waiver*

*Form POP-9 Self Insured Status Request*



# Form POP-1


## Pay or Play Acknowledgement



Contractor acknowledges POP Program and agrees to comply if they are the successful bidder.

**Filled out and submitted with bid packet by all Contractors and Subcontractors that are bidding on a contract that requires them to comply with POP.**

Form POP- 1



City of Houston  
Pay or Play Program  
Acknowledgement Form



It has been determined that the project currently open for bidding meets the criteria of the City of Houston Pay or Play program. This form acknowledges your awareness of the Pay or Play program which is authorized by Ordinance 2007-534. Your signature below affirms that you will comply with the requirements of the program if you are the successful bidder/proposer, and ensure the same on behalf of subcontracts subject to the Pay or Play Program.

I declare under penalty of perjury under the laws of the State of Texas that if awarded this contract which meets the criteria for the City of Houston's Pay or Play Program, I will comply with all requirements of the Pay or Play Program in accordance with Executive Order 1-7.

**\*Fill out all information below and submit this form with your bid/proposal packet.**

<input type="text"/> Solicitation Number	<input type="text"/> Date
<input type="text"/> Signature	<input type="text"/> Date
<input type="text"/> Print Name	<input type="text"/> City Vendor ID
<input type="text"/> Company Name	<input type="text"/> Phone Number
<input type="text"/> Email Address	

**Note: For more information contact your POP Liaison or the POP Contract Administrator. All contact information can be found on [www.houstontx.gov](http://www.houstontx.gov) →Departments→Office of Business Opportunity→Pay or Play.**

Document 00460 OBO 7/3/2012



# Form POP-2 Certification of Compliance



Contractor chooses how they will participate in the POP Program.

**Filled out and submitted by the successful Bidder.  
(Prime Contractor & Subcontractor)**



**City of Houston  
Certification of Compliance with  
Pay or Play Program**

Form POP-2



Contractor Name: \_\_\_\_\_ \$ \_\_\_\_\_  
(Contractor/Subcontractor) (Amount of Contract)

Contractor Address: \_\_\_\_\_

Project No.: [GFS/CIP/AIP/File No.] \_\_\_\_\_

Project Name: [Legal Project Name] \_\_\_\_\_

POP Liaison Name: \_\_\_\_\_

In accordance with the City of Houston Pay or Play Program authorized by Ordinance 2007-534 and Executive Order 1-7, Contractor/Subcontractor agrees to abide by the terms of this Program. This certification is required of all contractors for contracts subject to the program. You must agree EITHER to PAY or to PLAY for all covered employees. The Contractor/Subcontractor may also Pay on behalf of some covered employees and Play on behalf of other covered employees.

The Contractor/Subcontractor will comply with all provisions of the Pay or Play Program and will furnish all information and reports requested to determine compliance with program requirements of the Pay or Play Program (See Executive Order 1-7 for the terms of the Pay or Play program) The criteria of the program is as follows:

The Contractor/Subcontractor agrees to "Pay" \$1.00 per hour for work performed by covered employees under the contract with the City. If independent contract labor is utilized the Contractor/Subcontractor agrees to report hours worked by the independent contract laborer and pay \$1.00 per hour for work performed.

Otherwise the Contractor/Subcontractor agrees to "Play" by providing health benefits to each covered employee. The health benefits must meet the following criteria:

1. The employer will contribute no less than \$150 per employee per month toward the total premium cost for single coverage only; and
2. The employee contribution, if any amount, will be no greater than 50% of the total premium cost and no more than \$150 per month.
3. Pursuant to E.O. 1-7 section 4.04 a contractor is deemed to have complied with respect to a covered employee who is not provided health benefits if the employee refuses the benefits and the employee's contribution to the premium is no more than \$40 per month.

Please select whether you choose to:  Pay  Play  Both

The Contractor/Subcontractor will file compliance reports with the City, which will include activity for covered employees subject to the program, in the form and to the extent requested by the administering department. Compliance reports shall contain information including, but not limited to, documentation showing employee health coverage and employee work records.

**Note: The Contractor is responsible to the City for the compliance of covered employees of covered subcontractors and only forms that are accurate and complete will be accepted.**

*Estimated Number of:	Prime Contractor	Sub-Contractor
Total Employees on City Job		
Covered Employees		
Non-Covered Employees		
Exempt Employees		

**\*Required**

I hereby certify that the above information is true and correct.

Contractor (Signature) \_\_\_\_\_ Date \_\_\_\_\_

Name and Title (Print or type) \_\_\_\_\_

Document 00630

OBO 7/3/2012

# Form POP-3


## List of Participating Subcontractors




List of all subs participating on the project.

**Filled out and submitted by the successful Bidder (Prime).**

Click Document for a Fillable Version.



**City of Houston  
Pay or Play Program  
List of Subcontractors**



Form POP-3

Prime Contractor: \_\_\_\_\_ POP Contact Person: \_\_\_\_\_  
 Project Number/Description: \_\_\_\_\_ Address: \_\_\_\_\_  
 \_\_\_\_\_ Email: \_\_\_\_\_  
 \_\_\_\_\_ Phone: \_\_\_\_\_

Note: Include ALL subcontractors (use additional form if necessary)

Subcontractor Name	Supplier Y/N?	Amount of Subcontract	Check One				Contact Person	Phone	Email Address	Mailing Address
			Pay	Play	Both (Pay and Play)	N/A				
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

\*If the above information is found to be submitted fraudulently with the intent to bypass or deceive the purpose of the Pay or Play Program the contractor will be held liable for all compliance requirements from the inception of the contract. All subcontracts that surpass the \$200,000.00 threshold will be responsible for Pay or Play compliance from the inception of the contract.

**Affidavit**

I hereby solemnly affirm, certify and confirm that the total sub-contract value stated above is the final value of the contract (\*) including all material costs, fuel, payroll, taxes, fees, profit sharing, labor or any payments in relation to the contracted work and no separate payment or contract has been made for the sub-contract under contract no. \_\_\_\_\_. The above sub-contract value includes all the costs related to work under the contract. The contractor and sub-contractor(s) agree to inform the Office of Business Opportunity of any related cost(s) added to the contracted work and re-submit POP-3 with the current value of the sub-contract. I understand that compliance with "Pay or Play" program is mandatory and nothing has been hidden to circumvent the program requirements.

Contractor Authorized Representative & Title \_\_\_\_\_ Date \_\_\_\_\_  
 Name & Signature

Document 00631 OBO 5/6/2015

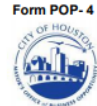
# Form POP-4 Contractor/Subcontractor Exemption Request

Used as a request for a particular contract that qualifies for a waiver.  
(Waived upon OBO approval).

**Filled out and submitted by the contracting Department only.**



City of Houston  
Pay or Play Program  
Contractor/Subcontractor Waiver Request



If a waiver of the Pay or Play Program requirements is requested, the City of Houston contracting department shall submit this Waiver Request form to the City of Houston Office of Business Opportunity Division along with any supporting documentation. A waiver, if granted, shall be effective for the duration of the contract. In the event of renewal or renegotiation of the contract, subsequent waivers may be requested and either granted or denied.

Department: \_\_\_\_\_ Date Submitted: \_\_\_\_\_  
Contact Name: \_\_\_\_\_ Phone: \_\_\_\_\_  
Contractor/Subcontractor Name: \_\_\_\_\_ Vendor No.: \_\_\_\_\_  
Contract No. /Description: \_\_\_\_\_  
Contract/Subcontract Amount: \$ \_\_\_\_\_ Project Start Date: \_\_\_\_\_ Estimated Comp Date: \_\_\_\_\_

This contract or subcontract is appropriate for a waiver based on the following: *(Check the appropriate box.)*

- Emergency.** The contract or subcontract is a response to an emergency that endangers public health or safety.
- Essential.** No other qualified responsive bidders comply with the requirements of the Pay or Play Ordinance and the contract or subcontract is for a service or project that is essential to the City or public.
- Adverse Impact.** Compliance with the Pay or Play Program would cause an unreasonably adverse impact on the City's ability to obtain services or an unreasonably adverse financial impact on the City.
- Bulk Purchasing.** The services to be purchased are available under a bulk purchasing agreement with a federal, state, or local government entity.
- Intergovernmental/Interlocal Agreement/Purchasing Cooperative**

**Note:** Please provide backup documentation that will explain in detail why this contract is a candidate for a waiver.

**Department Signature:**

Request submitted by department head or authorized representative:

Signature \_\_\_\_\_ Print Name \_\_\_\_\_

**City of Houston – Office of Business Opportunity Use Only**

Action:  Approved  Disapproved

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name: \_\_\_\_\_

OBO 7/3/2012






# Form POP-9 Self Insured Status Request



A form for a Contractor that is requesting to be considered a self-insured company (Granted upon OBO approval).

**Filled out and submitted by the Contractor with supporting documents.**

 **City of Houston  
Pay or Play (POP) Program Compliance for  
Self Insured Contractor** POP-9

Contractor Name: \_\_\_\_\_ ( ) Prime Contractor ( ) Sub-Contractor

Contract # & Description: \_\_\_\_\_ Contracting Dept \_\_\_\_\_  
We, hereby submit our request for acceptance of our self insured status to comply with City's POP program.  
Our self insured plan is funded by \_\_\_\_\_  
and adjudication of health claims and network administration is provided by \_\_\_\_\_.

We hereby certify, represent and affirm that our health benefits meet the Pay or Play Program's minimum requirements as set in E.O. 1-7. The following documents are being provided to support our self insured status:

*(Check the appropriate box. Note: Items 1 thru 4 (first four) below are required)*

- Representation Letter.** (Explaining the contractor's health benefits program and certifying that information provided and enclosed is true and correct to the best of their knowledge and meets the minimum POP Ordinance requirements.)
- Certified copy of COBRA plan rates.**
- Confirmation letter from the insurance plan administrator** (confirmation should include their brief introduction and relationship with the Contractor, existence and continuity of self insured program, how long operating as administrator and certification of employees claims processing etc.)
- Two copies of Pre-Printed Health Benefits Program –Employee Guide (Printed/CD)**
- Average cost of health benefits-Certified by Actuarial or Health Benefits Management Company (HBMC).**
- Per Tier Cost of Health Benefits, duly certified by Actuarial or HBMC.**
- Other(s)** \_\_\_\_\_

\_\_\_\_\_  
Contractor Representative & Title Signature & Date

**NOTARY PUBLIC**

The State of \_\_\_\_\_ County of \_\_\_\_\_  
Before me, a Notary Public, on this day personally appeared \_\_\_\_\_, known to me (or proved to me on the oath of \_\_\_\_\_), to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that (S)he executed the same for the purpose and consideration therein expressed.

Given under my hand and seal of office, this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 20\_\_\_\_\_.

\_\_\_\_\_  
Notary Public, State of \_\_\_\_\_ My commission expires the \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

**City of Houston Mayor's Office of Business Opportunity (OBO) Use Only**

Action: [ ] Approved [ ] Disapproved

Signature: \_\_\_\_\_ Print Name \_\_\_\_\_ Date \_\_\_\_\_

Important: Please note that if the above information is found to be incorrect or submitted fraudulently, the self insured status, if granted will be cancelled retroactively and will be null and void. In addition, the contractor will have to pay the amounts due towards POP as determined by Mayor's Office of Business Opportunity (OBO) Department of City of Houston.



Thank You.

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@HoustonOBO



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@HoustontxOBO



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