

CITY OF LOS ANGELES
JOINT LABOR-MANAGEMENT BENEFITS COMMITTEE

PROPOSED MINUTES

SPECIAL MEETING

July 5, 2018 – 9:00 A.M.

CITY HALL, 200 NORTH SPRING STREET, ROOM 1060
LOS ANGELES, CA 90012

Present:

Committee Members

Regular:

Jody Yoxsimer – Personnel Department
Cheryl Parisi – AFSCME, Council 36
David Sanders – SEIU Local 721
Matthew Rudnick – Recreation and Parks
Paul Bechely – Laborers' Local 777
Richard Llewellyn – Office of the City Administrative Officer

Alternates:

Marleen Fonseca – Engineers and Architects Association
Victor Gordo – Laborers' Local 777
Norma Gutierrez – Fire Department

Personnel Department Staff

Steven Montagna – Chief Personnel Analyst
Paul Makowski – Senior Personnel Analyst I
Daisy Tam – Senior Personnel Analyst I
Leo Reyes – Senior Personnel Analyst I
Helen Georgeson – Personnel Analyst
Ted Vasquez – Personnel Analyst
Russell Escueta – Personnel Analyst

Office of the City Attorney

Curtis Kidder – Assistant City Attorney

The Segal Group

Bobby Mitchell

Keenan Associates

Laurie LoFranco
Robin Rager

1. Call to Order

Jody Yoxsimer called the meeting to order at 9:10 a.m.

2. Public Comments

None.

3. Committee Report 18-33: Vice-Chairperson Election and Ad-hoc Subcommittee Membership

Steven Montagna presented this report. He began by stating that the Vice-Chairperson position is vacant due to Cheryl Parisi's retirement. He added that the bylaws require the position be occupied by another Committee member by election from the Committee members. He continued by stating that Ms. Parisi was also a member of two other Subcommittees.

Following this discussion, **a motion was made by Paul Bechely, seconded by Marleen Fonseca, to nominate David Sanders as the Vice Chairperson of the Joint-Labor Management Benefits Committee; the Committee unanimously adopted this motion.**

David Sanders asked if there is a minimum number of Committee members required to serve on a the Subcommittee. Mr. Montagna responded that there is no minimum and stated that the number of members serving on a Subcommittee is at the discretion of the JLMBC. Marleen Fonseca asked how often the Communications Subcommittee meets. Paul Makowski replied that it has only met once since its formation.

4. Committee Report 18-34: Employee Benefits Trust Fund Member Refunds

Steven Montagna presented this report. He began by explaining that the employees who will be receiving a refund have been separated into three groups – active, terminated/retired, and deceased employees. He then described the process of refunding each group. He stated that refunds for active employees will be issued on the August 29, 2018 paycheck.

Mr. Montagna next described the communications efforts that have been made regarding the refunds. He stated that all labor organizations were contacted about the refunds and each organization could communicate this to their membership if they wished. He also added that staff would provide a listing of the individuals that would be receiving a refund to each labor organization. He continued by stating that communications have been sent by the Employee Benefits Division to active employees that are going to receive a refund. He added that a separate communication was sent to the terminated and retired members to test how many valid addresses are on file. He added that the number of valid addresses is still being assessed. Regarding the

deceased employees group, Mr. Montagna explained that staff is working with the City Attorney's Office to determine what the process will entail to issue the refunds to the heirs and estates.

Mr. Bechely asked how much lead time is needed to receive the list of employees receiving refunds. Paul Makowski indicated one or two days lead time is required. Marleen Fonseca asked if the list being provided is only for active members. Mr. Makowski confirmed this. Norma Gutierrez asked if staff was working with LACERS to obtain valid addresses for retired members. Mr. Makowski stated that staff has already reached out to LACERS and that Employee Benefits Division (EBD) and LACERS agreed that EBD would provide a list to LACERS for the employees that could not be reached.

Mr. Sanders asked which benefits the refunds cover. Mr. Makowski replied that the medical refunds are for 2010 and 2011, the dental refunds are for 2007 and 2008, and the life insurance refunds cover 2006 to 2010. Mr. Montagna added that the refunds will include interest but are not currently reflected in the dollar amounts. Ms. Fonseca asked what the average refund amounts are. Mr. Makowski replied that \$258 is the average amount received by a member.

A motion was made by Paul Bechely and seconded by David Sanders to receive and file the update regarding member refunds from the Employee Benefits Trust Fund; the Committee unanimously adopted this motion.

5. Committee Report 18-35: 2018 Benefits Communication Survey and Open Enrollment Campaign Update

Paul Makowski presented this report. He began by stating that the Ad-Hoc Communications Subcommittee met approximately one year ago to provide input and develop objectives for improving communications that would be implemented into a long-term communications plan. He added that a communications survey was developed by staff to solicit member feedback regarding the effectiveness of the City's current communications materials and tactics and assess methods of communications that members preferred. He explained that the results of the survey would be used to develop a long-term communications strategy.

Next, Mr. Makowski reviewed the results of the survey. He stated that 1,289 responses to the survey were received. Mr. Sanders asked how the new materials are being simplified to help members understand their benefits. Mr. Makowski replied that having the member meet face-to-face with the benefits providers helps members understand what is being offered. Mr. Montagna stated that staff is working with the benefits carriers to define ways that they could measure success and make progress in better communicating information. He added that vision and dental benefits are a challenge to communicate since they have a complex structure. He continued by stating that working with the benefits vendors to simplify communications in a way that they is understandable is a work in progress.

A motion was made by Marleen Fonseca and seconded by Paul Bechely to receive and file the report regarding the 2018 benefits communication survey and Open Enrollment campaign update; the Committee unanimously adopted this motion.

6. Committee Report 18-36: Third-Party Administrator (TPA) Transition Update

Paul Makowski presented this report. He began by introducing representatives from Morneau Shepell to provide a transition update. Next, Terri Arceneaux, Transition Manager from Morneau Shepell, provided an update on the stages of the transition. She stated that pre-implementation stages have been completed. She provided updates with regards to business processes, improvements, and adjustments.

Chris Hannan asked if the new system will be live for next year's Open Enrollment. Ms. Arceneaux confirmed this. Mr. Hannan asked if Morneau Shepell will provide a demonstration to the Committee before the system goes live next year. Ms. Arceneaux confirmed this. Mr. Montagna added that the system will be in operation on April 1, 2019, and it will apply to new hires with the City. Mr. Hannan asked for an estimate of when a demonstration could be seen. Mr. Makowski replied that user acceptance testing will be done through September and October with a finished product being available afterward. Kevin Kanoon, Vice President of Client Relationships from Morneau Shepell, stated that Morneau could bring a prototype of the new website and provide a walkthrough of how the new system will work to the Committee.

Mr. Sanders asked if Morneau will be handling the 2018 Open Enrollment. Mr. Makowski replied that Mercer will be handling the 2018 Open Enrollment period. Mr. Kanoon added that Morneau will be monitoring the Open Enrollment process for any issues or problems that occur so that they can learn what to be aware of if any issues arise.

A motion was made by Richard Llewellyn and seconded by Chris Hannan to receive and file the Third-Party Administrator (TPA) transition update for June 2018; the Committee unanimously adopted this motion.

7. Committee Report 18-37: LIVEwell Wellness Program Update

Joan Centanno presented this report. She began by stating that April was National Stress Awareness month and that the Wellness Program's focus in April addressed the topic of stress. She stated that April's webinar was on stress management and that 57 employees attended the webinar.

Ms. Centanno next provided an overview of the activities and workshops that were provided to members including a women's health webinar in May, a stairwell

campaign challenge to encourage employees to take the stairs when possible, and vision pop-up clinics that are scheduled in July and August 2018.

Ms. Centanno then discussed the City Council Walk Plus Program results. She stated that there was a presentation held in Council and a trophy was presented by General Manager Wendy Macy to Councilmember Wesson's team for winning the challenge. She added that the Mayor also provided an endorsement and invited employees to attend the LIVEwell Wellness festival that was held on June 26, 2018.

Next, Ms. Centanno provided an update on the 2018 annual employee wellness survey. Mr. Montagna requested that the Wellness SubCommittee reconvene first before staff presents the results of the survey in detail. He added that this will allow staff to discuss the results with the Subcommittee first and subsequently develop recommendations for the JLMBC to adopt. Mr. Hannan asked about benchmarking goals and the progress of work with Keenan and Associates (Keenan). Ms. Centanno replied that benchmarks were developed in a variety of areas such as marketing, awareness, brand recognition, interest, and participation. She added that the survey is not the same as the medical data that would be provided from the carriers. She continued by stating that Keenan is assisting by working with the benefits carriers to gather data and facilitating regular benefit carrier summits. Mr. Hannan asked if there were any updates from possible coordination with LACERS and their wellness program. Mr. Montagna stated that regular meetings with LACERS have occurred and Benefits staff has been attending the LACERS carrier summits. He added that attending the summits has helped staff look for ways to coordinate joint events with LACERS. He further added that LACERS is interested in the City's decision to use a Third-Party vendor to administer the wellness program.

Mr. Sanders asked what the carrier summit is and if attendance is open to Committee members. Mr. Montagna replied that the carrier summit can be attended by JLMBC members and that the purpose of the meetings is to convene all of the service providers to discuss what they recommend in setting goals and metrics to measure progress. He added that as a result of discussions, the expectation is that the goals will be refined through means of integration and coordination.

Next, Isaias Cantu provided an update on the Wellness Services Administrator implementation with Limeade. He stated that staff has been working with Limeade on an implementation plan and developing a schedule for implementing services. He next stated that review of the contract will continue until December with a projected go-live date of April 2019.

Following this discussion, a motion was made Chris Hannan and seconded by Marleen Fonseca to receive and file the staff report regarding LIVEwell Wellness Program (LIVEwell) development, updates, and activities; the Committee unanimously adopted this motion.

8. Committee Report 18-27: Projects & Activities Report

Paul Makowski presented this report. He began by providing Anthem network updates and stated that Universal Health Systems terminated their agreement with Anthem effective March 31, 2018. He added that they successfully negotiated terms with Anthem effective June 1, 2018, and the 30 members and dependents that were terminated were notified they could use services again. He next stated that Community Hospital Long Beach was closing July 4, 2018 and 17 employees and dependents received notification that the facility was no longer available. He indicated that Dignity Health was scheduled for termination on July 15, 2018 but continues to negotiate with Anthem. He added that over 300 individuals use services at one of the locations in the network

Mr. Bechely asked if Anthem's negotiations with Dignity Health are close to an agreement. Andrew Richards, Account Management Executive Consultant with Anthem, stated that negotiations are ongoing and the situation is a challenge. He added that part of it is due to smaller hospitals being acquired by larger groups. Mr. Hannan asked if regulatory notifications could be sent to members sooner. Mr. Richards stated that he will relay that feedback and see if Anthem could send notifications more rapidly. He added that their continuity of care requirements in the contracts allow Anthem to cover procedures at the existing rates. Ms. Fonseca asked if Anthem reaches out to members scheduled for a procedure and whether they communicate to them ahead of time. Mr. Andrews replied that there is a team of nurses, clinicians, and medical directors to continue care for the member if required.

Mr. Makowski then continued with the remainder of the report. He stated that lunchtime seminars resumed and attendance was mixed. He indicated the seminars would be continuing with the topics for each month included in the report.

Mr. Makowski next provided an update on the transition to Optum as the City's new EAP provider. He stated that a kickoff transition meeting with Optum was held on June 27. He added that timelines and milestones were being developed to ensure a successful transition, including developing a communications plan. Ms. Gutierrez asked if the 1-800 number that members call into will be a different number. Mr. Makowski replied that the option is still being assessed with Optum.

Following this discussion, **a motion was made by Marleen Fonseca and seconded by Chris Hannan to receive and file the projects and activities report regarding informational items, projects updates, staffing summary, and completed projects/meeting calendar for May-June, 2018; the Committee unanimously adopted this motion.**

9. REQUEST FOR FUTURE AGENDA ITEMS

None.

10. NEXT MEETING DATE

A meeting was noted for August 2, 2018 at 9:00 a.m.

11.ADJOURNMENT

The meeting was adjourned at 10:10 a.m.

Minutes prepared by staff member Russell Escueta.