

CITY OF LOS ANGELES
JOINT LABOR-MANAGEMENT BENEFITS COMMITTEE

PROPOSED MINUTES

SPECIAL MEETING

September 6, 2018 – 9:00 A.M.

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

Present:

Committee Members

Regular:

Neil Guglielmo – Los Angeles City Employees' Retirement System
Richard Llewellyn – Office of the City Administrative Officer
Wendy Macy – Personnel Department
Tony Royster – General Services Department
David Sanders – SEIU Local 721

Alternates:

Marleen Fonseca – Engineers and Architects Association
Jeremy Diaz – Building & Construction Trades Council

Personnel Department Staff

Jody Yoxsimer – Personnel Department
Steven Montagna – Chief Personnel Analyst
Isaias Cantu – Senior Management Analyst II
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
Khia Moore – Benefits Specialist

Office of the City Attorney

Curtis Kidder – Assistant City Attorney

The Segal Group

Stephen Murphy

Keenan Associates

Laurie LoFranco
Robin Rager

1. Call to Order

Wendy Macy called the meeting to order at 9:10 a.m.

2. Public Comments

None.

3. Minutes

A motion was made by David Sanders and seconded by Tony Royster to approve the minutes of the May 17, 2018 special JLMBC meeting. The Committee unanimously adopted this motion.

4. Committee Report 18-47: Employee Benefits Trust Fund Member Refunds Update

Paul Makowski presented this report. He reported that approximately 14,000 active employees were issued a refund on their regular paycheck dated August 29, 2018. He added that additional members employed by the City were not issued payment through the City's payroll system based on issues related to changes in their payroll status (e.g. employees who transferred to the Department of Water and Power), and had checks issued and mailed to their home addresses on September 5, 2018. He also reported that approximately 9,500 retired/terminated/status change members were issued checks mailed to their home addresses on September 5, 2018 and that approximately 2,500 additional former LAwell Program member payments are pending address verification.

Mr. Makowski continued by reporting that heirs to approximately 500 deceased members will receive refunds. He explained that payment of decedent refund checks will require identification and verification of the appropriate heir as required under the State of California Probate Code. He added that a target payment issue date is still pending.

Mr. Makowski noted that various correspondence pieces were sent to members regarding the refund depending on their status. He stated that in all correspondence pieces members were instructed to call the Benefits Service Center if they had questions about the refund.

David Sanders inquired how the members requiring address verification will be located. Mr. Makowski replied that staff is researching multiple resources, including an internal Lexis-Nexis resource, to track down member addresses.

A motion was made by Neil Guglielmo and seconded by Tony Royster to receive and file the update regarding member refunds from the Employee Benefits Trust Fund; the Committee unanimously adopted this motion.

5. Committee Report 18-48: Employee Assistance Program Transition Update

Paul Makowski presented this report, noting the City's Employee Assistance Program (EAP) is transitioning to Optum effective January 1, 2019. He explained the process of requesting education and training sessions for City departments under Optum. Steven Montagna added that staff is working with Optum to make the EAP more accessible and inviting to employees. Wendy Macy asked how many hours are available for training classes. Mr. Makowski confirmed 250 hours are available. Mr. Montagna emphasized that staff will help raise awareness to let departments know the usefulness and accessibility of the EAP.

Marleen Fonseca stated that the EAP should not be used by managers as a mandatory counseling tool that may drive employees away from seeking assistance. Mr. Montagna stated the importance of engaging human resources staff to ensure that they understand how the EAP can and cannot be used, but added that Optum would follow the City's program requirements in any event.

Mr. Guglielmo asked how Optum will address handling claims and services that require continuous care after January 1, 2019. Mr. Makowski explained that continuity of care will be addressed on a case by case basis and that the City is working with Optum on planning to ensure a smooth transition for all members who are receiving care at the time of transition. Mr. Guglielmo also noted the importance of appropriate EAP utilization and educating human resources personnel to help promote EAP benefits.

A motion was made by Richard Llewellyn and seconded by Marleen Fonseca to receive and file the EAP transition update for August 2018; the Committee unanimously adopted this motion.

6. Committee Report 18-49: Employee Benefits Trust Fund Fiscal Year 17-18 Activity and Status Review

Steven Montagna presented this report. He provided a summary of the background and purpose regarding establishment of the Employee Benefits Trust Fund. He then reported that the Personnel Department's Administrative Services Division has completed its FY 17-18 review and reconciliation of the Trust Fund. He added that it is recommended that the JLMBC approve the report staff has drafted to the Mayor and Council regarding Trust Fund activity and once approved, the report will be submitted to the Mayor and Council for their review and consideration.

Mr. Guglielmo asked if there was an annual audit of the Trust Fund. Mr. Montagna replied that there is no process for an annual audit currently in place, but staff will work to formalize the policies of the Trust Fund per the provisions of the Administrative Code. Mr. Guglielmo added that he recommends there be a regular Trust Fund audit. Ms. Macy added that the report will be presented to the Personnel and Animal Welfare Committee as well as to the Mayor and City Council. Mr.

Montagna recommended that the JLMBC Chairperson and Vice-Chairperson attend the meeting, if possible.

A motion was made by Neil Guglielmo and seconded by Tony Royster to (a) receive and file the report regarding the fiscal year (FY) 17-18 status/activity of the Employee Benefits Trust Fund and (b) approve the draft report to the City Council and Mayor regarding and identifying all FY 17-18 Trust Fund receipts/expenditures and purposes for which expenditures were made; the Committee unanimously adopted this motion.

7. Committee Report 18-50: Third-Party Administrator (TPA) Transition Update

Paul Makowski presented this report. He began by providing a short background regarding the TPA transition, including the stages of development that will guide the transition. Next, Terry Arceneaux of Morneau Shepell reported on the current status of the TPA transition, noting that Phase I had been completed. She added that the Morneau Shepell team will be training Employee Benefits Division staff onsite during the week of September 17 – 21, 2018, and will return in December to train the billing and payroll staff of the Administrative Services Division.

Ms. Arceneaux indicated that there had been some delays on certain item but that the schedule overall had not been compromised. She added that the delays mainly resulted from receiving late data from the current TPA, Mercer, but that nonetheless Morneau Shepell will be able to meet the April 2019 go-live date. Mr. Guglielmo asked if employees will be asked to participate in a focus group testing of the new member website. Ms. Arceneaux replied that other clients have conducted focus group testing and that this can also be done for the City. Mr. Guglielmo then recommended performing focus group testing, and he also recommended performing focus group testing in Spanish.

A motion was made by Tony Royster and seconded by Neil Guglielmo to receive and file the LAwell Civilian Benefits Program TPA transition update for August 2018; the Committee unanimously adopted this motion.

8. Committee Report 18-51: LIVEwell Wellness Program Update

Joan Centanno presented this report. She reported that staff worked with Anthem to develop a “Cooking Demonstration Class” with a chef which focuses on the importance of healthy food choices. She stated that four classes had taken place to date, with a total of 105 employees attending.

Ms. Centanno then reported on staff’s coordination of four vision pop-up clinics consisting of on-site eye examinations and eyewear retail stores for LAwell members. She reviewed the 2018 utilization rate by location and noted the Garland Building had the highest utilization rate (78%) of the four locations.

Ms. Centanno continued with an update on the August webinar which was presented by Kaiser and focused on understanding food nutrition labels. She noted that sixty employees participated in the webinar.

Ms. Centanno then reported on the upcoming joint LA City-County special event, noting that the LIVEwell Program is partnering with LA County to co-sponsor a family fitness event called Rock N' Stroll on Saturday, October 13, 2018, from 8:00 a.m. to 12:00 p.m. at Griffith Park. She explained that Anthem is the sponsor and that the event is free for City employees. She also noted that each City employee can bring up to 15 guests to the event. She added that fun activities such as Pilates, a hike in the hills, and a kid zone have been added to the itinerary.

Ms. Centanno concluded with an introduction of an upcoming new program, *Feel Like a Million*, an online program for LAwell members offered through the same Kaiser partner, HES that provided the successful 2017 WalkPlus Program. She stated that the program uses a fun, interactive game show theme in which participants check off activities in various core areas such as fitness and nutrition to reach the goal of \$1 million virtual dollars.

Ms. Centanno then explained the team competition event and how participants will use the *Feel Like a Million* program to record their progress towards the goal of \$1 million virtual dollars. She stated that the competition will start in January and continue for four weeks, with the winners scheduled to be announced on March 6, 2019.

Ms. Macy inquired whether incentives such as “goodie bags” will be offered, and Ms. Centanno stated that these types of incentives will not be offered this time due to challenges in execution noted during last year’s walking competition. She indicated that incentives are still being evaluated. Mr. Royster asked what type of challenges were encountered. Ms. Centanno explained there were challenges with the cost and delivery of the product and locating employees. She further explained that some employees had not provided valid contact information, so they were difficult to locate to claim their prize. She also pointed out that eventually the items were delivered to everyone, but it was very difficult and time consuming for staff to coordinate. Mr. Royster recommended that the best method for execution may be to obtain employee email addresses so that employees can be contacted via email; employees would then be required to redeem their gift in person.

Ms. Fonseca commended staff on their good work and asked how employees will be tracked for the special event on October 13th. Ms. Centanno explained that there is no tracking planned at this time, as the event is optional.

Mr. Sanders then asked if patients who attend the pop-up clinics are being referred to doctors. Lisa Asberry, EyeMed Account Manager explained that EyeMed examinations are recorded by examination markers, and employees are connected

with medical providers on an as-needed basis. She further explained that EyeMed makes recommendations and assists the employee but does not make appointments for them. Mr. Royster recommended that the Anthem and Kaiser Member Advocates attend the vision pop-up clinics to help employees schedule appointments, if needed.

A motion was made Neil Guglielmo and seconded by Jeremy Diaz to receive and file the staff report regarding LIVEwell Wellness Program (LIVEwell Program) developments, updates, and activities; the Committee unanimously adopted this motion.

9. Committee Report 18-52: FUSE Corps Placement Extension

Isaias Cantu presented this report. He began by stating that approval of a six month extension of the FUSE Corps Executive Advisor, Joan Centanno would be of significant benefit to the LIVEwell Wellness Program (LIVEwell Program). He explained that over the next six months, from October 2018 through April 2019, the LIVEwell Program will be transitioning from its current in-house engagement model to a fully integrated engagement model led by Limeade, the recently selected wellness administrator. He stated Ms. Centanno's assistance and input that will be needed as part of transitioning and integrating existing engagement programs and communication efforts with the new services and capabilities that will be offered by Limeade. Mr. Cantu continued by stating that Ms. Centanno will also continue development and oversight of LIVEwell Program engagement campaigns and materials for the period prior to Limeade's administration. He added that she will also develop the LIVEwell Program 2019 employee survey. He stated that staff recommends the JLMBC approve a six month extension of the FUSE Corps Executive Advisor, from October 2018 through March 2019, with additional funding amount of \$75,000 to be paid from the Employee Benefits Trust Fund/Wellness Account.

A motion was made by Richard Llewellyn and seconded by Neil Guglielmo to approve a six month FUSE Corps Executive Advisor extension (from October 2018 through March 2019) and additional funding amount of \$75,000 to be paid from the Employee Benefits Trust Fund/Wellness Account; the Committee unanimously adopted this motion.

10. Committee Report 18-53: Limeade Transition Update

Isaias Cantu presented this report. He began by providing an update on the status of the implementation, noting that Limeade is currently building the City's eligibility file work plan. He added that staff is working with Limeade to address implementation issues related to the development of a web-based user interface and data management services involving the LAwell Program's other benefit service providers.

Mr. Cantu noted that at the request of the JLMBC, staff, Keenan, and Limeade will provide a more detailed presentation on the implementation plan at the JLMBC's November 1, 2018 meeting. Wendy Macy recommended that it would be beneficial for Limeade to offer an onsite engagement specialist to attend a meeting and brief the JLMBC on the various updates.

A motion was made by Marleen Fonseca and seconded by Jeremy Diaz to receive and file the LIVEwell Wellness Services Administrator transition update for August 2018; the Committee unanimously adopted this motion.

11. Committee Report 18-54: Projects & Activities Report

Daisy Tam presented the projects and activities report. She began by providing Anthem network updates and stated that as of August 14, 2018, Anthem successfully renewed its agreement with Dignity Health. She stated that the renewed agreement ensures that the City's members can continue utilizing Dignity Health locations with no gap in available services. She also reported that Anthem notified the City on August 27, 2018, that they are in negotiations with PIH-Whittier to renew their agreement, which is scheduled to terminate on October 1, 2018. She noted that Anthem will continue to provide staff and the JLMBC with updates on this item.

Ms. Tam then reported on the monthly lunchtime seminars. She stated that the most recent monthly lunchtime seminar, Medicare & LAwell, took place on August 23, 2018 at City Hall and there were 125 attendees, with 53 attending onsite and 72 attending via the webinar. She reported that the next lunchtime seminar, Tax Advantaged Savings Plans will be held on September 27, 2018 at City Hall.

Ms. Tam then continued with an update on 2019 Open Enrollment, stating that procedural requirements and changes for the upcoming Open Enrollment period were finalized in August. She added that staff also finalized production sets of the Open Enrollment communication materials and that 26,000 Open Enrollment packets are scheduled to be mailed in late September. She then reported that staff has confirmed the Open Enrollment event schedule location and topics.

Ms. Tam concluded by reporting that staff continues to provide new hire benefits orientations throughout the City. She reported that staff conducted a new hire benefits orientation for eleven librarians at the Central Library on August 20, 2018.

Mr. Montagna then introduced Khia Moore, the new Benefits Specialist in the Employee Benefits Division. He further noted that Personnel Analyst, Russell Escueta will be transferring to the Department of Water and Power and staff was seeking to fill the position as soon as possible.

A motion was made by Marleen Fonseca and seconded by Tony Royster to receive and file the projects and activities report regarding informational items,

projects updates, staffing summary, and completed projects/meeting calendar for August 2018; the Committee unanimously adopted this motion.

12. REQUEST FOR FUTURE AGENDA ITEMS

None.

13. NEXT MEETING DATE

It was noted that there would not be a meeting in October due to Open Enrollment activities. A meeting was noted for November 1, 2018 at 9:00 a.m.

14. ADJOURNMENT

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

Minutes prepared by staff member Helen Georgeson.