CITY OF LOS ANGELES
JOINT LABOR-MANAGEMENT BENEFITS COMMITTEE

PROPOSED MINUTES
SPECIAL MEETING
February 8, 2018 – 2:00 P.M.
CITY HALL, 200 NORTH SPRING STREET, ROOM 1060

Present:

Committee Members

Regular:
Wendy Macy – Personnel Department
Chris Hannan – Building & Construction Trades Council
Paul Bechely – Laborers’ Local 777
June Gibson – Fire Department
David Sanders – SEIU Local 721
Matthew Rudnick – Recreation and Parks

Alternates:
Marleen Fonseca – Engineers and Architects Association
Ramon Rubalcava – SEIU Local 721
Jennifer Shar – Office of the City Administrative Officer

Personnel Department Staff
Jody Yoxsimer – Assistant General Manager
Steven Montagna – Chief Personnel Analyst
Jenny Yau – Senior Management Analyst II
Paul Makowski – Senior Personnel Analyst I
Leo Reyes – Senior Personnel Analyst I
Helen Georgeson – Personnel Analyst
Ted Vasquez – Personnel Analyst
Daisy Tam – Personnel Analyst
Russell Escueta – Personnel Analyst

Office of the City Attorney
Curtis Kidder – Assistant City Attorney
Charles Hong – Deputy City Attorney

The Segal Group
Stephen Murphy

Keenan Associates
Steven Balentine
Laurie LoFranco
Call to Order

Wendy Macy called the meeting to order at 2:15 p.m.

1. Public Comments

None.

2. Committee Report 18-10: Projects & Activities Report

Paul Makowski presented this report. He began by providing an update on Anthem network agreements. He stated that Anthem continues to negotiate with Huntington Memorial Hospital regarding a new contract and that the current contract expires on February 15, 2018. He further stated that Anthem indicates it expects to reach an agreement with Huntington Memorial or secure another contract extension prior to the termination date.

Additionally, Mr. Makowski provided an update regarding Employee Health System Medical Group (EHS). He stated EHS was terminated from the Anthem network effective January 31, 2018 due to a recent regulatory directive issued by the California Department of Managed Health Care (DMHC) to all health plans that contracted with EHS. He stated a total of 24 City employees and their dependents enrolled in EHS were affected by this termination and that a notification was sent to them notifying them of the termination and options for enrolling into a new medical group.

Mr. Makowski next provided an update on Affordable Care Act (ACA) tax reporting. He stated all ACA tax forms are in the process of being sent to mail fulfillment and that forms should be postmarked by the newly extended IRS deadline of March 2, 2018.

Mr. Rubalcava asked why the regulatory directive regarding the termination of EHS was not disclosed in the communication sent to Anthem members. Andrew Richards from Anthem replied that the DMHC issued the regulatory directive for all health plans that contracted with EHS and not just Anthem. He further stated that Anthem does not disclose this information since it was the DHMC that made the determination to terminate EHS from all health plans that contracted with the medical group.

Matthew Rudnick asked if there are concerns that a gap in service will result from negotiations with Huntington Memorial. Mr. Richards replied that the financials held up the contract negotiations, but Anthem is optimistic that the contract with Huntington Memorial will be renewed.
A motion was made by Tony Royster and seconded by Paul Bechely to receive and file the projects and activities report regarding informational items, projects update, completed projects/meeting calendar, and staffing summary for January 2018; the Committee unanimously adopted this motion.

3. Committee Report: 18-09: LiVEwell Wellness Program Update

Steven Montagna presented this report. He began by providing an update on the Wellness Program Services Request for Proposal (RFP). He stated that staff will report on its evaluation and recommendation to the Wellness Subcommittee scheduled for next Tuesday prior to submitting its report to the full JLMBC.

Mr. Montagna next discussed the LACERS’ wellness summit. He stated he and Wellness Executive Advisor Joan Centanno attended LACERS’ biannual wellness carrier submit held on January 19 and that LACERS and staff are expanding collaborative efforts between the two agencies. In addition, he stated that staff and Keenan are developing a structure/schedule for ongoing Benefit Service Provider summits. He indicated the goal of the summits would be to engage Civilian Benefit Program vendors to develop a goals and outcomes approach to evolving services, fully utilizing and coordinating resources amongst one another, and improving member outcomes. He further added that the summits would provide a forum to identify ways that all of the vendors can provide services more efficiently and will address topics such as utilization, condition management, wellness, communications, and engagement. He indicated that staff is working with Keenan to develop the framework and structure of the summits.

David Sanders asked about prior discussions regarding the LACERS Wellness Program and if the LiVEwell Wellness Program is working to identify wellness benchmarks to measure progress. Mr. Montagna explained that this process is continuing to evolve and that the goal would be to identify measureable outcomes and take a disciplined approach to measuring progress. Mr. Sanders asked if the discussion held with LACERS is going to change the original goals of the LiVEwell Wellness Program. Mr. Montagna replied that the strategy has evolved and will continue to evolve with respect to benchmarks, metrics, and how to best measure progress/success.

Joan Centanno next discussed the wellness education classes and webinars planned for 2018 and identified the City locations for upcoming events. She indicated the methods of advertising these events including flyers posted at the department and Citywide emails. Tony Royster asked if notices for the webinars are sent out the day before. Joan Centanno replied that the schedule of the webinars is published for the first three months of the year along with an email the day of the webinar. Mr. Royster stated it may be best to send emails two or three days before the day of the event. Mr. Sanders asked how many people attended the three events on January 22 and 23. Joan Centanno replied that close to 40 people attended each one.
Leo Reyes next provided an update on the Council WalkPlus event and indicated that there was a 75% participation rate amongst the Council offices. Chris Hannon asked how other departments fared in the Citywide walking program and if other City departments had increased their activity in the walking program. Ms. Centanno replied that the Citywide walking program was held for six weeks, and the walking program for the Council offices is separate competition between Council offices only. She further stated that typically participation for these types of events is closer to 10%. She also indicated a second iteration of the walking program is being considered.

A motion was made by Tony Royster and seconded by Chris Hannan to receive and file the staff report regarding LIVEwell Wellness Program (LIVEwell) developments, updates, and activities; the Committee unanimously adopted this motion.

4. Minutes

A motion was made by Tony Royster and seconded by Marleen Fonseca to approve the JLMBC minutes of the January 4, 2018 special meeting; the Committee unanimously adopted this motion.

5. Committee Report 18-07: Employee Benefits Trust Fund

Steven Montagna presented this report. He began by providing a brief background on prior efforts of the JLMBC and staff to make revisions to the Los Angeles Administrative Code provisions that would provide for the ability of benefit refunds to be issued from the Employee Benefits Trust Fund (Trust Fund). He further explained that the JLMBC directed staff to proceed with a report to the City Council requesting that the City Attorney prepare the necessary ordinance required to amend the Administrative Code provisions to provide the Trust Fund the authority to issue refunds to employees. Mr. Montagna stated that the Personnel and Animal Welfare Committee (PAW) approved the recommendations in the report and that the City Council subsequently approved PAW’s recommendations on January 30, 2018. Mr. Montagna continued that the City Attorney has prepared the draft ordinance which is provided as Attachment B to the staff report for the JLMBC’s consideration so that comments can be received before the ordinance is presented to Council for consideration.

Matthew Rudnick asked if there was a timeline for processing the refunds after City Council’s approval of the ordinance. Mr. Montagna stated that staff is working with the Controller’s Office to establish a timeline and implementation plan for processing the refunds.

Tony Royster asked if the refund checks would be separate checks or if they would be added to the employee’s payroll payments. Mr. Montagna confirmed that they would be separate checks. Mr. Royster asked about people who have separated
from the City and where the money will go for people who cannot be located. Charles Hong from the City Attorney’s Office stated that the revised ordinance allows for a separate refund account to be created where the refund money will be retained. He further indicated that if the money is still unclaimed after three years, it could be returned to the general Trust Fund account. He stated if a claim is made after the three year mark, the monies can be transferred back to the refund account to be paid to the claimant.


Lisa Asberry, account manager for the City of Los Angeles Benefits Program vision plan with EyeMed, presented this report. She began by providing a brief overview of the EyeMed organization including its growth and total membership. She continued by presenting the City’s utilization statistics for the vision plan in the first year of service with EyeMed. She explained that the vision plan with EyeMed now includes a $150 materials allowance every year for frames and contact lenses and that additional discounts are available to members if all materials are purchased together at one time. She further stated that EyeMed expects to exceed the City’s vision utilization goal of 27% over the course of a fiscal year based on the percentage of members who have received an eye exam to date and projected through the end of the fiscal year.

Mr. Rubalcava asked if EyeMed provides an out-of-network benefit and how it applies to Kaiser members. Ms. Asberry replied that Kaiser members may continue to see their Kaiser optometrist but materials such as eyeglasses and contacts are no longer covered. She further explained that should the member decide to purchase eyeglasses and/or contacts at Kaiser, they may file a claim form for an out-of-network reimbursement and they will be reimbursed by EyeMed at the out-of-network rate.

Mr. Sanders asked if EyeMed notifies a member if the optometrist identifies a potential medical condition that may affect the member. Ms. Asberry confirmed that the member is notified. Mr. Sanders asked if EyeMed then follows up with the member’s medical provider to ensure that the member has followed up with a visit. Ms. Asberry replied that they do not check this information due to restrictions regarding protected health information. Mr. Royster asked if there was a high percentage of critical conditions detected. Ms. Asberry replied that in the 10 months of statistics available, out of approximately 57,000 members, 495 cases were identified and segregated into various buckets of potential medical conditions. Ms. Asberry explained that EyeMed has the capability to share information with medical providers. Mr. Royster asked if there are any issues in providing this information to medical providers, Anthem and Kaiser. Ms. Asberry stated EyeMed has the technical capabilities to share information.

Mr. Hannan asked if EyeMed could share the member’s medical information about conditions that arise during an eye examination with medical providers, Anthem and
Kaiser. Mr. Royster commented that there are probably legal and technical issues that have to be addressed before moving in that direction and executing an agreement to provide this information. Mr. Montagna stated that before any type of agreement to share confidential member data is executed, staff would have to have discussions with both Anthem and Kaiser on the feasibility of this type of data exchange and consult with the City Attorney if such an agreement is permitted under federal and state laws. Ms. Fonseca asked if HIPAA applies and if a member can refuse to have their information shared. Mr. Kidder stated that legal issues with member consent and sharing HIPAA protected information that would have to be resolved prior to any agreement being executed to provide this information.

Ms. Asberry continued by discussing the on-site vision pop-up clinics that were offered in the first quarter of 2017. She explained that 389 eye exams were performed through the pop-up clinics which equated to 12% of total exams performed during the first quarter of 2017. She further stated that overall network utilization continues to remain high at 97% in-network which allows a member to maximize savings.

Ms. Asberry then discussed EyeMed’s performance benchmarks. She stated that EyeMed met or exceeded the performance measures proposed in the Request for Proposal. She continued that some operational issues arose during the 2017 plan year including members being incorrectly charged sales tax on contact lens orders though [www.contactsdirect.com](http://www.contactsdirect.com). She explained that when the issue was identified, EyeMed immediately implemented a systems programming change to prevent the issue from occurring again and refunds were issued to all members affected.

Ms. Asberry concluded her presentation by stating that EyeMed’s goals moving forward are to maximize the member experience with the vision plan. She discussed future program enhancements including an interactive, online tool that allows members to estimate total out-of-pocket costs before visiting an EyeMed provider. She also stated that EyeMed will begin sending targeted communications to members including members considered high-risk for certain conditions and members utilizing the out-of-network benefit. She explained targeted mailers would be sent to these members to remind them to get an eye exam and to use in-network providers to maximize savings. Lastly, she stated that EyeMed will continue to work with Benefits Division staff to conduct more webinars throughout the year to continue to educate members on how to use their vision benefit.

Mr. Royster asked if EyeMed is planning to expand the vision pop-up clinics. Ms. Asberry replied that they are working with the City to develop a schedule for the pop-up clinics in 2018. Mr. Royster asked if EyeMed would consider having clinics after 5:00 p.m. Ms. Asberry replied that they have the capability to do so. Ms. Fonseca asked if EyeMed will visit health fairs and if Ms. Asberry would be the contact. Ms. Asberry confirmed yes. Mr. Hannan asked whether departments would be given the option to participate and provide feedback on the pop-up clinics when developing the schedule for 2018. Mr. Montagna replied that staff actively works with the
departments as the pop-up clinics are scheduled using their facilities. Mr. Hannan asked if there is a cap on the number of clinics to be held each year. Ms. Asberry replied that six weeks or 27 days is the number of pop-up clinics that EyeMed is prepared for, but increasing the frequency of the clinics may be viable. Mr. Bechely asked how many hours or days would be needed for a population of 250 employees. Ms. Asberry replied that clinics would be held for a few days for a population that large. Mr. Rudnick asked if it would make sense to hold clinics out in the field or in yards where the staff is not in a regular office environment. Mr. Montagna replied that there are several logistical challenges to scheduling the pop-up clinic such as room requirements and the ability to lock up the materials. He continued that staff was able to assess which locations worked best based on the experience from last year’s pop-up clinics and will apply the lessons learned from that experience when scheduling the clinics in 2018. Steve Murphy from the Segal Co. stated that the pop-up clinic physicians who participated in 2017 were private practice physicians. He added that in addition to the pop-up clinics, there may be offices or facilities close to City worksites that can promote the vision plan and encourage members to utilize their vision benefit at that location or office.

7. Committee Report 18-06: Anthem PPO Member Survey

Steven Montagna presented this report. He began by stating that at the previous JLMBC meeting, Anthem presented their strategies to improve the member experience and member outcomes for the PPO plan, including 1) promotion of the Mobile Health Consumer phone app, 2) Anthem Health guide resource effective 1/1/18, 3) LiveHealth services which provides for a two-way video consultation with a physician, and 4) the “Heal” in-network provider house call service which allows members the ability to schedule home visits with a physician. He further indicated that staff was working on developing a PPO member survey and focus groups to solicit member feedback and to assess member behavior.

Mr. Montagna next discussed the draft PPO member survey and explained the different components of the survey including PPO Plan costs to understand why members choose the PPO plan and their satisfaction with the cost structure and PPO service awareness to measure knowledge of special programs/services offered by the PPO plan.

Mr. Rudnick asked if the survey would be distributed to members who had the PPO plan in 2017 but are not enrolled in the PPO plan in 2018. Mr. Montagna replied that sending the survey to these members is feasible since Anthem has the enrollment information. Paul Bechely asked if there was a big change in the PPO membership from 2017 to 2018. Mr. Montagna replied there was about a 1-2% change in the membership and that overall, the membership remained stable. Marleen Fonseca asked if the focus group sessions will be held during work hours. Mr. Montagna confirmed that they will be held during work hours.
Chris Hannan asked if there has been discussion on bringing out-of-network providers identified in the Blue Shield transition as in-network to Anthem. Andrew Richards, the City’s account manager with Anthem, replied that the majority of the disruption experienced in the Blue Shield transition was due to St. Jude’s in Orange County which is not in the Anthem network. Mr. Hannan asked if there has been any progress on bringing any new physicians or medical groups in-network. Mr. Andrews replied that Vivity is a regional network and Anthem continues to work on expanding the network of providers available through Vivity. Mr. Hannan asked if there are any issues if EyeMed was to share information on conditions that it has identified during a member’s vision exam with Anthem. Mr. Andrews stated that it is technically feasible and there is some existing connectivity that Anthem has with EyeMed. He added that Anthem is a covered entity under HIPAA and the primary concern with sharing member information is member consent. He continued by stating that an arrangement is possible, but will likely require substantial discussions between EyeMed and Anthem.

Mr. Rubalcava requested that question number 14 on the Anthem PPO member survey be modified slightly to add mental health services to the personal satisfaction section. Mr. Montagna confirmed that this can be added. Following this discussion, a motion was made by Matthew Rudnick and seconded by David Sanders to 1) add “mental health services” to the personal satisfaction section of question number 14 on the Anthem PPO member survey and 2) approve proposed survey of members of the Civilian Benefits Program Preferred Provider Organization (PPO) Plan; the Committee unanimously adopted this motion.

8. Committee Report 18-08: Ad Hoc Governance Subcommittee – JLMBC Bylaws Review

Jenny Yau presented this report. She began by stating that since their adoption, the bylaws have only been revised once in 1990 and as no subsequent updates have been made, the Committee continues to operate under the 1990 bylaws. She further stated that given the amount of time that has passed since the bylaws were last revised, staff is recommending that an Ad Hoc Governance Subcommittee be established to conduct a review of the bylaws and recommend revisions and updates as necessary. She concluded that upon the creation of the Subcommittee, staff will begin drafting revisions for consideration by the Subcommittee. Following this discussion, a motion was made by Tony Royster and seconded by Marleen Fonseca to (1) approve the creation of an Ad Hoc Governance Subcommittee to work with staff to review the “Policies Governing the Joint Labor-Management Benefits Committee” bylaws and recommend revisions and updates as necessary to ensure sound governance practices; and (2) identify Cheryl Parisi, Richard Llewellyn, Chris Hannan, and Matthew Rudnick as members of the Ad Hoc Governance Subcommittee; the motion was unanimously adopted.
9. REQUEST FOR FUTURE AGENDA ITEMS

Chris Hannan asked that staff report back on the feasibility of vision and dental collaborations with the medical plans.

10. NEXT MEETING DATE

A meeting was noted for March 1, 2018 at 9:00 a.m.

11. ADJOURNMENT

The meeting was adjourned at 3:30 p.m.

Minutes prepared by staff member Russell Escueta.