



Human Resources Committee Meeting

September 12, 2022 at 5:00 p.m.

Fresno EOC Board Room

1920 Mariposa Street, Suite 310

Fresno, CA, 93721



HUMAN RESOURCES COMMITTEE MEETING AGENDA

SEPTEMBER 12, 2022 AT 5:00 PM

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF AUGUST 12, 2022 MINUTES

A. August 12, 2022 Human Resources Meeting Minutes **Approve** 3

4. 2023 HEALTH PLAN RATES

A. 2023 Health Plan **Approve** 6

5. WELLNESS PLAN

A. Halcyon Health & Wellness **Approve** 10

6. OTHER BUSINESS

The next meeting is scheduled on Monday, November 21, 2022 at 5:00 p.m.

7. PUBLIC COMMENTS

(This portion of the meeting is reserved for persons wishing to address the Committee on items within jurisdiction but not on the agenda. Comments are limited to three minutes).

8. ADJOURNMENT

HUMAN RESOURCES COMMITTEE MEETING
August 15, 2022
5:00 PM

MINUTES

1. **CALL TO ORDER**

Committee Chair, Barigye McCoy, called the meeting to order at 5:10 PM.

2. **ROLL CALL**

Roll was called and a quorum was established.

Commissioners Barigye McCoy, Jimi Rodgers

Present:

Commissioners Jewel Hurtado, Rueben Zarate, Robert Pimentel

Absent:

Others Present: Emilia Reyes, Jim Rodriguez, Baldev Birk, Guadalupe Zuniga, Erica Reyes, Rebecca Keene

3. **APPROVAL OF PREVIOUS MINUTES**

May 16, 2022 Meeting Minutes

Public Comment: Pensions Plans Renamed to Retirement Plan

Motion by: Rodgers **Second by:** McCoy

4. **PERSONNEL POLICIES AND PROCEDURES MANUAL**

A. Personnel Policies and Procedures Manual

Erika Reyes, Human Resource Manager, provided a detailed presentation of the proposed new policies to meet the needs of the employees.

Commissioners recommended this item to be presented to the full Board of Commissioners at the next Board Meeting.

Public Comment: None heard

Motion by: Rodgers **Second by:** McCoy

5. **COMPENSATION PLAN**

A. Salary Rate Table

Jim Rodriguez, Chief Financial Officer, presented the on the new salary rate table to promote pay equity.

Commissioners recommended this item to be presented to the full Board of Commissioners at the next Board Meeting.

Public Comment: None heard

Motion by: Rodgers **Second by:** McCoy

6. HR METRICS

A. HR Scorecard – Q2 2022

Jennifer Tierce, Human Resource Manager, provided a detailed overview of the Human Resources Scorecard for 2022 2nd quarter activities.

Commissioner Rodgers requested the following information to be included in the monthly score card:

- Breakdown by ethnicity, including of the hiring and separation of staff.
- Graph comparison from previous months of average days to fill and average days to hire.

Public Comment: None heard

No action required.

7. PLAN FINANCIALS AND INVESTMENT REPORT

A. Plan Financials and Investment Report

Jim Rodriguez, Chief Financial Officer, provided a detailed overview of the agency's retirement plan financial and investment reports for the period ending June 30, 2022.

Baldev mentions encouraging employees to ask more questions and providing more education to employees regarding ROTH, as it's more beneficial to the employee.

Guadalupe voices concern of employees not investing because they're unaware of what questions to ask, employees are more focused on basic needs.

Public Comment: None heard

Motion by: Zuniga **Second by:** Rodgers

8. INVESTMENT FUND CHANGE

Steve Warnes, Assistant Finance Director, mentioned there are no recommended changes to the fund lineup at this time.

Public Comment: None heard

No action required.

9. RETIREMENT PLAN DEMOGRAPHICS

A. Retirement Plan Demographics

Steve Warnes, Assistant Finance Director, provided a brief overview of the retirement plan employer report.

Public Comment: None heard

No action required.

10. INVESTMENT PERFORMANCE SUMMARY

A. Investment Performance Summary

Steve Warnes, Assistant Finance Director, brief the Committee members on the investment performance scorecard.

11.. **OTHER BUSINESS**

Public Comment: None heard

No action required.

12. **PUBLIC COMMENTS**

Public Comments: None heard.

No action required.

13. **ADJOURNMENT**

The meeting was adjourned at 6:21pm

Respectfully submitted,

Barigye McCoy
Committee Chair

HUMAN RESOURCES COMMITTEE MEETING

Date: September 12, 2022	Program: Human Resources
Agenda Item #: 4	Manager: Erica Reyes
Subject: 2023 Health Plan	Officer: Emilia Reyes

Recommended Action

Staff recommends Committee review and approval for full Board consideration the Agency's 2023 Health Plan updates.

Background

On an annual basis, the agency reviews the medical and dental plan in an effort to ensure we are providing the best Health Plan options to benefit eligible staff. Staff worked along with our benefit broker, Alliant, to present the following 2023 Health Plan updates.

2023 Medical and Dental Plan

Alliant presented a target budget of \$10.7million. This figure is calculated based on our current fund balance, Fresno EOC's desired 5-month reserve, and their anticipated costs for 2023. Creating a need for total funding of 4.4% to maintain the current fund balance. The cost projected would create a budget that meets the anticipated cost of health plan rates for the next year. Staff recommends the following changes to meet target total funding based on current enrollment numbers. The steps proposed are based on Aliant's recommendation to change the structure of the wellness plan, which creates a general increase to the program cost.

Employer Health Plan Rates for 2023

Employer Health Plan Rates will increase in 2023. The increase in contributions is as follows:

2023 EMPLOYER/AGENCY MONTHLY CONTRIBUTIONS

Medical w/Dental			
Coverage Category	Current Cost 2022	Proposed Cost 2023	Outcome
Employee only	\$ 600.00	\$ 633.00	\$ 33.00
Employee + Child(ren)	\$ 1,086.00	\$ 1,146.00	\$ 60.00
Employee + Family	\$ 1,442.00	\$ 1,521.00	\$ 79.00

Employee + Spouse	\$	1,206.00	\$	1,272.00	\$	66.00
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At current enrollment, the employer contribution will be \$8,599,944.

Employee Dental Rates for 2023

2023 EMPLOYEE MONTHLY DENTAL PREMIUMS

Coverage Category	With Medical		Without Medical	
	Enrolled	Cost	Enrolled	Cost
EE only	301	\$ 6.00	31	\$ 59.00
Employee + Child(ren)	115	\$ 9.00	9	\$ 116.00
Employee + Family	167	\$ 18.00	9	\$ 148.00
Employee + Spouse	110	\$ 12.00	2	\$ 128.00

No change in the dental rates at current enrollment the contribution will be \$139,536.

Employee Traditional PPO Health Plan Rates for 2023

Traditional PPO Health Plan rate members will not receive a general increase in premium cost. The employees affected by the wellness incentive change will see an increase in their contribution the reward structure in the wellness platform will partially offset this increase. At current enrollment, the contribution will be \$1,753,920.

2023 EMPLOYEE TRADITIONAL PPO

Coverage Category	Enrolled	Current 2022	Enrolled	Proposed 2023
EE only	174	\$ 150.00	249	\$ 150.00
Employee + Child(ren)	63	\$ 270.00	101	\$ 270.00
Employee + Family	97	\$ 360.00	149	\$ 360.00
Employee + Spouse	54	\$ 300.00	93	\$ 300.00

Employee High Deductible Health Plan (HDHP) Rates for 2023

High Deductible Health Plan (HDHP) rates will increase in premium cost \$6 to \$12 dollars. At current enrollment, the contribution will be \$174,780.

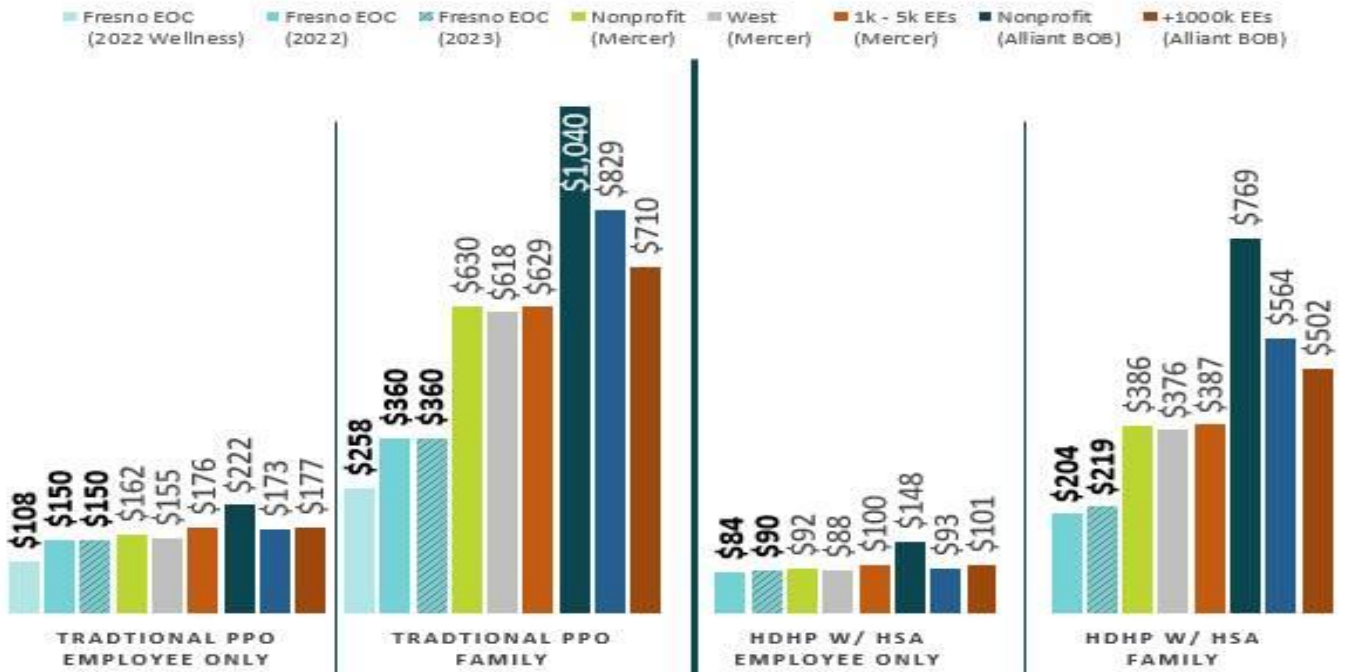
2023 EMPLOYEE HDHP

Coverage Category	Enrolled	Current 2022	Proposed 2023	Outcome
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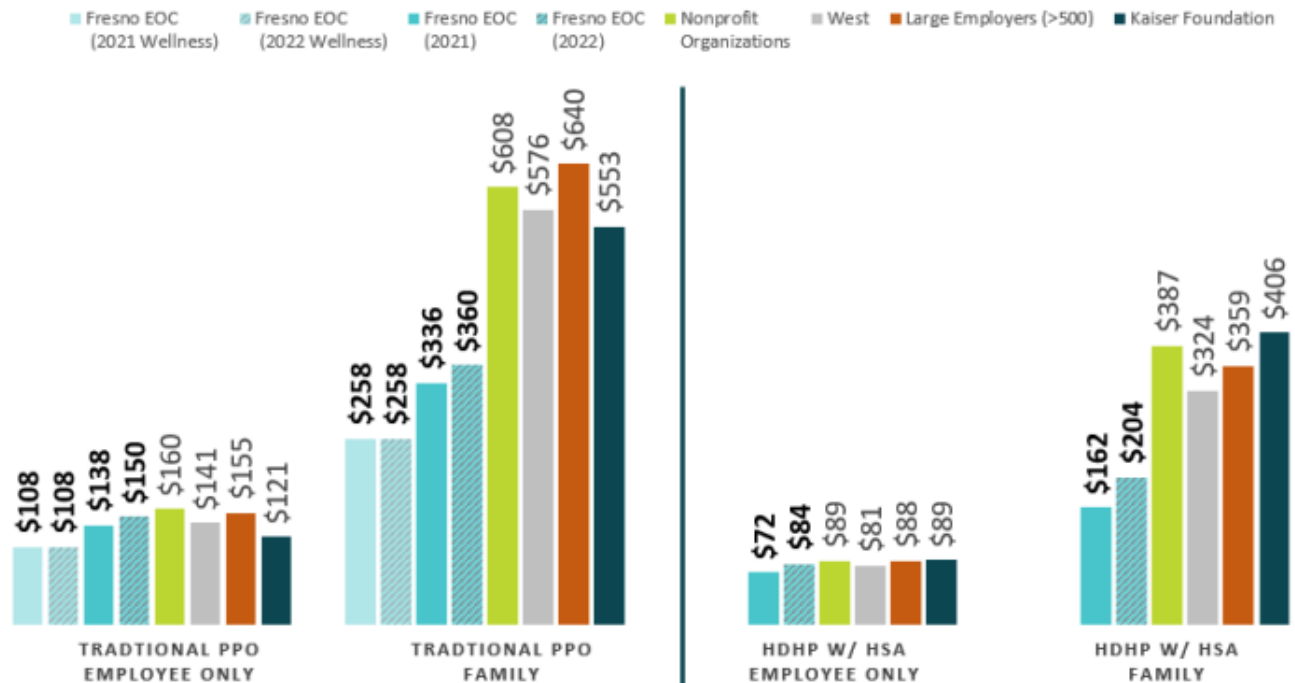
EE only	81	\$84.00	\$90.00	\$6.00
Employee + Child(ren)	8	\$153.00	\$165.00	\$12.00
Employee + Family	18	\$204.00	\$219.00	\$15.00
Employee + Spouse	11	\$171.00	\$183.00	\$12.00

Based on the changes in contribution we will see an increase in total funding of \$10,668,180.00 bringing the agency to Alliant’s recommended anticipated cost of health plan rates for the next year. These changes in rates will generate a Traditional PPO at the target cost share of 81%/19% and the HDHP options will be at the 87%/13% cost share. The proposed changes will continue to keep benefit offerings below the industry averages. See comparison benchmarks standards below.

2022 Benchmark



2021 Benchmark



Fresno EOC Health plan rates have consistently been below industry standards for the agency business.

Fiscal Impact

1. The increase in the employer costs will be 5% for all tiers, which creates an employer contribution of \$8,599,944. The Agency expects to see a reduction in the number of person-hours currently spent by Human Resources and Payroll personnel in the administration of the wellness contribution discount.

Conclusion

If approved by the Committee, this item will move forward for full Board consideration during the next commission meeting.

If the Committee does not approve the 2023 Health Plan Updates:

1. The current wellness contribution discounts would continue to be administered by Human Resources. The health plan is anticipated to receive an additional 1.57% increase due to the reduction in employee contributions.
2. The medical and dental plan rates will not be able to change and there will not be sufficient funds to support the expected 4.42% increase in overall benefit costs for the next year. Failure to increase rates will require the Agency to supplement the projected increase through other means.
3. Staff must be informed of plan changes 60-days prior to their occurrence, which would require notice by September 15, 2022. Start of open enrollment 11/15/22 end of open enrollment 12/15/22. Processing of enrollment changes and corrections would take place 12/15/22-12/31/22 with an effective date of 1/1/23.

HUMAN RESOURCES COMMITTEE MEETING

Date: September 12, 2022	Program: Human Resources
Agenda Item #: 5	Manager: Erica Reyes
Subject: Halcyon Health & Wellness	Officer: Emilia Reyes

Recommended Action

Staff recommends Committee approval for full Board consideration of purchasing Halcyon Health & Wellness Enhanced plan at an estimated cost of \$36,300 annually based on an enrollment rate of \$2.75 per employee and estimated 1100 employees.

Background

Halcyon Health & Wellness Enhanced plan design includes all of the components of the Core program, and also incorporates additional features that will assess, stratify and engage a higher percentage of the population.


In reviewing the utilization of the Traditional PPO Wellness discount it was determined the plan was not effective or engaging enough to be a true wellness plan for our employees. It only required the employee (and enrolled spouse, when applicable) to obtain an annual wellness exam to help ensure enrolled members were regularly visiting their physician to understand and identify health concerns. The decreased enrollment over the last three years also shows lack of effectiveness of the plan.

By purchasing a wellness program, a third party provider would work with employees regarding their specific health and wellness concerns. Fresno EOC received five (5) proposals from companies offering wellness services and Halcyon Health & Wellness Enhanced plan has been identified as the best plan to meet the needs of the employees and the Agency by providing: Biometric Screenings, Targeted Outreach, Health Coaching, Incentive Administration and many other features.

Overall, implementation of this plan will allow for employees to participate in a program targeted to their needs to improve overall health and wellness.

Fiscal Impact

Halcyon Health & Wellness Enhanced plan has an estimated cost of \$36,300 annually based on an enrollment rate of \$2.75 per employee and estimated 1100 employees.



This rate may increase or decrease based upon actual number of employees. There is also a built-in incentive program for participants upon completion/achievement of their goals, which will vary in cost.

Fresno EOC is requesting approximately \$100,000 of 2023 funds to be allocated for a wellness plan that includes monies to pay for the incentive rewards for participants.

Conclusion

If approved by the Committee, this item will move forward for full Board consideration at the October 26, 2022 Commission Meeting.

If not approved by the Committee, employees will not be able to receive targeted health and wellness planning. The agency would likely incur increased health insurance utilization costs if employee health and wellness is not addressed.