

CITY OF LOS ANGELES  
**JOINT LABOR-MANAGEMENT BENEFITS COMMITTEE (JLMBC)**

*PROPOSED MINUTES*  
**September 7, 2023 -- 9:00 A.M - 11:00 A.M.**

**Present:**

**Committee Member**

**Regular:**

Chad Boggio - Building & Construction Trades Council  
Esteban Lizardo - LiUNA Local 777  
Dana Brown - Personnel Department  
Tony Royster - General Services Department  
Lisa Palombi - AFSCME

**Alternates:**

Shauna Janeway - SEIU Local 721  
Matthew Crawford - Department of Recreation & Parks  
Paul Girard - Office of the City Administrative Officer  
Petty Santos - Office of the City Clerk  
David Sifuentes - Engineers and Architects Association

**Office of the City Attorney**

Charles Hong - City Attorney

**Personnel Department Staff**

Paul Makowski - Chief Benefits Analyst  
Chuong Tran - Senior Benefits Analyst II  
Theodore Vasquez - Benefits Analyst

**1. Call to Order**

Shauna Janeway called the meeting to order at 9:01 a.m.

**2. Public Comments**

None.

### 3. Minutes

A motion was made by Dana Brown and seconded by Tony Royster to approve the minutes of April 6, 2023 regular meeting, May 18, 2023 special meeting, and June 6, 2023 regular meeting; the Committee unanimously adopted this motion.

### 4. Committee Report 23-34: Trust Fund Report

#### Presentation Highlights:

Paul Makowski presented this report and highlighted:

- Attachment A outlined the fiscal activity of the Employee Benefits Trust Fund (trust fund) throughout fiscal year (FY) 2022-2023.
- Attachment B illustrated more information.
- Attachment C was the copy of the actual Council report.

#### Committee Member Comments, Questions, and Responses:

Shauna Janeway asked how many employees were left to pay for the refund project. Mr. Makowski stated that a little over 1,500. Chad Boggio asked if staff has worked with other companies to look up the employees that are left to be paid. Mr. Makowski stated that staff has worked with Lexus Nexus, which was an arduous process, to find contact addresses for all former employees. He further noted that some employees/next of kin have declined their refund due to the low amount projected for payment, citing the payment was not worth the effort to submit required paperwork. Ms. Janeway asked if there was an escheatment process in place and Mr. Makowski stated that there was not.

#### Committee Action:

**A motion was made by Chad Boggio and seconded by Lisa Palombi that the JLMBC (a) receive and file report regarding the Fiscal Year (FY) 2022-23 status/activity of the Employee Benefits Trust Fund and (b) approve draft report to the City Council and Mayor regarding and identifying all FY 2022-23 Trust Fund receipts/expenditures and purposes for which expenditures were made; the Committee unanimously adopted this motion.**

### 5. Committee Report 23-35: Staffing Reimbursement

#### Presentation Highlights:

Ted Vasquez presented this report and highlighted:

- The proposed first quarter staffing reimbursements of fiscal year (FY) 2022-23 totaled \$136,317.72 for the LAwell Program and \$110,227.15 for the LIVEwell Wellness Program.

Committee Member Comments, Questions, and Responses:

Lisa Palombi asked if the staffing reimbursement totals fed into the line item for Personnel Department Staffing in the Trust Fund report (prior JLMBC item). Mr. Makowski stated that figure would be under post Payments activity.

Committee Action:

**A motion was made by Lisa Palombi and seconded by Matthew Crawford that the JLMBC approve (a) reimbursements from the Employee Benefits Trust Fund for Personnel Department salary costs of staff providing administrative support of the LAwell Program in the total amount of \$136,317.72, inclusive of the fourth quarter of fiscal year 2022-23; and (b) reimbursements from the Employee Benefits Trust Fund/Wellness sub-account for Personnel Department salary costs of staff providing administrative support of the LIVEwell Wellness Program in the total amount of \$110,227.15, inclusive of the fourth quarter of fiscal year 2022-23; the Committee unanimously adopted this motion.**

## **6. Benefit Provider Presentation: EyeMed**

Presentation Highlights:

Megan Gardner (Keenan) presented a high level overview and highlighted:

- EyeMed has been the City of Los Angeles's (City) Vision provider since 2017 and their contract runs through the end of this year.
- Last year, enhanced benefits were added in the form of EyeMed 360 in which members can go to PLUS providers that provide \$0 copays.
- 5% of Eyemed eye exams claims identified as high-risk, hypertension, diabetes, and cataracts most common.

Pegah Firozi (EyeMed) continue the presentation and highlighted:

- EyeMed implemented EyeMed 360 in July 2022.
- 48% of members who received an eye exam July-December 2022 visited PLUS providers and paid \$0 out-of-pocket.
- Overall exam utilization was 32%, which was higher than prior year and significantly higher than book of business.
- Anthem represented 44% of EyeMed eye exams in 2022.
- Kaiser represented 54% of EyeMed eye exams utilized in 2022.

- 5.0% of EyeMed eye exam claims identified as high-risk; hypertension, diabetes and cataracts most prevalent.
- 96% of City members go to in-network providers.
- City has a \$150 frame allowance; \$200 at PLUS providers.
- Retinal imaging for \$10 copay and represented 30% of eye exams in 2022.
- Eye360 savings with PLUS providers included:
  - Reducing eye exam copay from \$10 to \$0
  - \$200 frame allowance
  - Incremental savings of over \$106,000 savings with Eye360 from July to December 2022

Committee Member Comments, Questions, and Responses:

Shauna Janeway asked why there is not as much utilization for retinal imaging. Ms. Firozi stated that members might possibly not be aware; however, members are offered this option when they visit for eye exams. Ms. Janeway asked if there was a way to determine how many people utilize both frames and contacts. Ms. Firozi will take that question back.

Dana Brown asked if the only time members receive an identification (ID) card is during the initial enrollment. Ms. Firozi confirmed that that was true. A welcome packet is sent along with ID cards and a list of providers. After that EyeMed does not send members ID cards, but it can be accessed via the mobile application or member portal.

Committee Action:

None.

**7. Committee Report 23-36: Human Resource and Payroll (HRP) Update**

Presentation Highlights:

Paul Makowski presented this and highlighted:

- Three stages of testing:
  - Unit testing - testing one unit at a time; staff is heavily involved.
  - End to End - start to finish of process. E.g. An employee gets hired, enroll them into benefits, and data sent back.
  - Parallel testing - testing system to system. This is taking place now.
- End-to-End (E-2-E) testing
  - E-2-E testing was supposed to go over four (4) cycles; however, LAwell staff was unable to get started due to a flawed file from the system, and a file was not able to be created until recently in August.

- Cycles two (2) and three (3) of E-2-E testing were closed without the ability for LAwell staff to perform any Integrations testing.
- Staff has worked with HRP to develop a new compromised testing plan which will only take place in E-2-E Cycle four (4), the last remaining testing cycle.
- Data was supposed to be sent each payroll cycle, however, only one payroll cycle will be tested.
- The deadline in September was extended to October and there are 6 weeks or so remaining to complete one phase of testing.
- It is recognized that there will be unfavorable fallout from lack of sufficient testing.
- Parallel testing is starting now and staff will have little exposure but will not be involved.

Committee Member Comments, Questions, and Responses:

Chad Boggio stated that it was difficult to conceptualize how members are affected by data integrity issues and requested an example. Mr. Makowski stated that new hires are told that as long as requirements for LAwell benefits are met on the first paycheck, they are able to call TELUS or go online to enroll into benefits. If data is not correctly sent to TELUS the employee would not have a new hire offer available to them as advertised.. Employees should be aware and pay attention to their paychecks and Workday profile and notify Employee Benefits staff if something does not look right to them.

Mr. Boggio stated that for members who are currently covered, it makes sense that they contact the office to notify of any errors. However, for the new hires, a proactive outreach should be done to inform them because if they are not enrolled and then experience a medical emergency, that could be costly. Mr. Makowski stated that concept with newly hired employees receiving incorrect information about how their benefits work has been a challenge to resolve. He added that staff are attempting to talk directly to department Human Resource sections and to ensure they are not giving out information and instead have employees contact the benefits office directly to prevent misinformation.

Tony Royster asked if it was possible to identify payroll errors. Mr. Makowski stated that at the beginning of each plan year, all payroll records are sent to the system, creating a clean start each year. He further stated that staff is still looking into ways to manage the identification of errors for each subsequent pay period in Workday. He noted that staff is also working with TELUS to identify options. Ms. Brown stated that there are always risks for errors in implementation, which is why E-2-E testing is so important. Ms. Brown shared that LAwell staff is very involved and Information Technology Agency (ITA) and HRP teams are working through every scenario but there will still be challenges when this system goes live. Matthew Crawford stated that the challenge is in communicating and notifying employees that they should review payroll records

carefully for the next six months or so. Mr. Royster asked when this all anticipated to occur. Mr. Makowski stated that testing is scheduled to end in October and go live in November or December.

Mr. Royster asked if the office is looking to add more staff members. Mr. Makowski stated that the office is fully staffed so no additional staff to add at this moment. Staff is working with TELUS to resolve member issues proactively.

Committee Action:

None.

## **8. Committee Report 23-37: Activities and Projects**

Presentation Highlights:

Chuong Tran presented this report and highlighted:

- Anthem Network Agreement between Anthem and Antelope Valley:
  - Unfortunately, both sides were unable to come to an agreement and terminated on August 15, 2023.
  - 18 City employees sought services in Antelope Valley and have been notified about termination but may continue to access emergency care at Antelope Valley
  - Alternatively, can seek care at Palmdale regional medical center.
- Ad Hoc Subcommittees Activities:
  - Ad Hoc Medical Plan Subcommittee – Members discussed a number of medical plan topics relating to the current health services contract and alternative options for the 2025 benefit plan year.
  - Ad Hoc Governance Bylaws Subcommittee – Members began review of a potential revision to the Bylaws.
- 2023 Open Enrollment (OE):
  - Staff is working on finalizing the electronic process.
  - Vision pop-up clinics and walk-in informational sessions are scheduled to occur.
  - Staff working with TELUS help and GSD
- Staffing update
  - Skyler Cain accepted the Accounting Clerk position.
  - Most vacant positions filled with exception of one.

Committee Member Comments, Questions, and Responses:

Ms. Janeway had a question about how comparable Antelope Valley and Palmdale regional were in size and how close they were. Mr. Tran stated that he will check on the size but both facilities

are located in Palmdale. Nicole Harber (Anthem) stated that Palmdale regional is 9 miles away and close in proximity. Members can also access emergency care at Antelope Valley.

Committee Action:

None.

**9. Request for Future Agenda Items**

None.

**10. Next Meeting Date**

A meeting was noted for:

- October 5, 2023 – Regular Meeting (In-Person with live broadcast/teleconference option for participation from the public)
- November 2, 2023 – Regular Meeting (In-Person with live broadcast/teleconference option for participation from the public)

**11. Adjournment**

The meeting was adjourned at 10:00 a.m.