

COUNTY OF EL DORADO HUMAN RESOURCES DEPARTMENT



330 Fair Lane - Placerville, CA 95667
Phone (530) 621-5565 Fax (530) 642-9815
Jobline (530) 621-5579 TDD (530) 621-4693
www.co.el-dorado.ca.us
Kathryn Libicki, Director
Edward J. Takach, Deputy Director

October 29, 2001

Penny Humphreys, Chair and
Board of Supervisors
330 Fair Lane
Placerville, California 95667

Subject: Health Plan Advisory Committee Bylaws

Dear Board Members:

Recommendation:

It is recommended that the Board receive and file the attached approved formal Bylaws of the Health Plan Advisory Committee. These Bylaws were adopted by a unanimous vote of the Committee at its meeting August 23, 2001.

Reason for Recommendation:

Our Health Plan Advisory Committee ("HPAC") has been operating in accordance within general parameters defined in the Health Plan governing document, but without formal Bylaws since its inception. As employee health benefits have become an increasingly complex topic over the years, the need for an appropriately constituted forum to facilitate conferring with employee organizations on related issues has become more acute. The Committee itself has accordingly reviewed and discussed the attached proposed Bylaws in considerable depth in order to clarify the purpose and operation of the Committee. The Bylaws have gone through several revisions. Now the Committee has reached a consensus and has adopted the attached formal Bylaws, subject to Board action. The Committee requests that the Board review, receive, and file the resulting document.

The following discussion is to document background information about the Health Plan Advisory Committee:

Origin and History of the Health Plan Advisory Committee

It appears that an informal joint labor management committee had been formed as an ad hoc committee in approximately 1986 to make recommendations to the Board regarding health insurance. The earliest records in the Board Office do not reflect the formal establishment of such a committee, but instead reflect a variety of recommendations flowing from one. Early recommendations of this "Employee

Group Health Insurance Committee" included the issuance of a Request for Proposal leading to the hiring of the Mercer firm and the replacement of MONY by Blue Shield as administrator for the County's self-insured health plan.

In 1990, this Committee developed the predecessor to our current Health Plan Document with assistance from the Mercer firm. It went through several administrative drafts prior to its formal adoption by the Board. The Plan Document, even in its earliest drafts, contains the same language about the Committee as in our current document (the Appeals language attached as Exhibit 1). This language assumes the existence and functioning of a "Health Insurance Advisory Committee".

Also in 1990, the Personnel Director, Robert Conen, placed the attached Exhibit 2 on the Board's agenda. The Committee membership was to be composed of eight representatives, that is, four from recognized employee organizations (two from Local 1, which represented the largest number of employees, one from DSA, and one from Operating Engineers) and four other members (i.e. the Personnel Director and three Board appointees) representing Department Heads, mid-management, and confidential employees. The Board made appointments to the Committee. Of interest in this context is a single paragraph, which describes the membership and role of the Committee. It now appears this paragraph is all we have by way of a "constitution" for what has now become the Health Plan Advisory Committee. The current Bylaws are intended to flesh out and clarify the purpose and operation of the Committee.

Of the original Board appointees, Rudy Limon of County Counsel's office remains. Gayle Erbe-Hamlin, Director of Public Health, and Sherril Jodar, Risk Program Manager, have replaced Natalie Jodar and Roxanne Sackett. The eight-member composition was deliberately chosen in order to foster an equal balance between represented and unrepresented employee interests.

Scope and Function of the Committee

Since approximately 1994, in order to have an efficient process which preserved a uniformity of health benefit design among all employees and in recognition of the need to negotiate benefit changes, the Committee became the forum for coalition bargaining. Issues such as addition of HMO alternatives, changes in dental plans, and retiree medical issues were addressed by the Committee rather than negotiating separately with three different unions covering seven bargaining units in addition to meeting with unrepresented Department Heads, mid-management, and confidential employees. Separate negotiations could have resulted in varying benefit designs which could have severely impacted administration of the Plan. Representatives of employee organizations are responsible for receiving authority from their Boards and membership pursuant to their bylaws, and staff receives authority from the Board of Supervisors on matters within the scope of negotiations.

Integration of the Committee with Risk Management

By virtue of the position's job description, the Risk Program Manager has staff responsibility and authority to accomplish administration of the Health Benefits Program. The County's contract with Blue Shield specifies the Risk Program Manager as the County official responsible for administration of

the contract. The HPAC assists the Risk Program Manager with this responsibility by means of the process described above. By virtue of the Health Plan Document provisions previously mentioned, the Committee also has delegated limited authority to Risk Management to make administrative determinations on appeal of decisions by Blue Shield regarding claims administration within the Blue Shield Plan.

The New Bylaws

It seems appropriate in view of the scope of responsibility and value of this Committee for it to have an appropriate formal "constitution." The Committee itself, therefore, has carefully hammered out and agreed upon the attached formal Bylaws. The language of these Bylaws has been approved in detail by consensus of all the Committee's current membership. The Committee feels these Bylaws will help preserve and support into the future the historical value of this Committee. Accordingly, HPAC recommends that the attached Bylaws be received and filed by the Board. They appropriately define operating parameters for the Committee and codify its functioning consistently with direction provided historically by the Board.

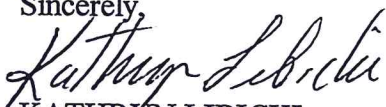
Fiscal Impact:

There is no fiscal impact resulting from filing these Bylaws. The Bylaws themselves respect and carefully preserve existing final Board authority to adopt appropriate health benefit funding rates and to approve the terms of defined employee benefits.

Action to be Taken Following Approval:

Risk Management and Human Resources staff will continue to support and work within the framework of the Health Plan Advisory Committee when appropriate in support of employee health benefits and the broader meet-and-confer process.

Sincerely,



KATHRYN LIBICKI

Director of Human Resources

Attachment

cc: Tom Soike, Interim Chief Administrative Officer
Lou Green, County Counsel
Health Plan Advisory Committee