



Legislation Details (With Text)

File #: 20-1014 **Version:** 1

Type: Agenda Item **Status:** Approved

File created: 7/24/2020 **In control:** Board of Supervisors

On agenda: 8/25/2020 **Final action:** 8/25/2020

Title: Human Resources Department recommending the Board:
 1) Accept rebate funds from Kaiser and Blue Shield and utilize such funding for the County of El Dorado’s Employee Health and Wellness Program; funds will be only be used for employee health and wellness activities;
 2) Authorize the Department of Human Resources to continue to request the County of El Dorado’s allocation of Wellness Funds as available each year; and
 3) Authorize the acceptance of future year’s rebate funds for use by the County of El Dorado’s Employee Health and Wellness Program.

FUNDING: Health Benefit Providers (Kaiser and Blue Shield).

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
8/25/2020	1	Board of Supervisors	Approved	Pass

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 3) Authorize the acceptance of future year’s rebate funds for use by the County of El Dorado’s Employee Health and Wellness Program.

FUNDING: Health Benefit Providers (Kaiser and Blue Shield).

The Medical Loss Ratio rebate provisions of the Affordable Care Act require health insurers to pay rebates to policyholders (employers with 50 or more full-time equivalent employees) if the insurer fails to spend at least 85% of the total premium revenue on medical claims and health care quality improvement activities, such as employee health and wellness initiatives. According to the rebate provisions, the rebate must be used for employee health and wellness programs.

On July 23, 2019 with Legistar item 19-1079, the Board approved the acceptance of rebate funds totaling \$5,380. A total of \$1,657 of that rebate was used in FY 2019/20 on the Health and Wellness Fairs held in September 2019 as well as other employee health and wellness initiatives. The Department of Human Resources tracks the expenditures and ensures the funds are used only for employee health and wellness initiatives. Any unspent funds from each fiscal year remain in the risk benefit fund and carry over to the next fiscal year to be used for employee health and wellness

programs.

On behalf of the County of El Dorado (County), the Department of Human Resources (HR) requested its allocation of Wellness Funds from California State Association of Counties (CSAC) Excess Insurance Authority (EIA) in June 2020. In July 2020, the County received a total of \$4,870 (\$3,825 from Kaiser and \$1,045 from Blue Shield of California). It is anticipated that the County will receive a similar allocation from the carriers in future years and intends to make a request from the County to match these funds in subsequent years to build upon and enhance the Employee Health and Wellness Program. Note: CSAC-EIA has changed its name to Public Risk, Innovation, Solutions, and Management (PRISM).

Implementing a Health and Wellness Program may not yield quantifiable data to show a return on investment. However, best practice data suggests that the County will see benefits through the improvement of employees' health and well-being. Additionally, based on the data, the County can expect to see improved productivity, possible reductions of health care costs, and reduced health risks. This effort also provides another opportunity to show employees that the County cares about them and their overall well-being.

In continued efforts to elevate the County as an employer of choice, it is important to utilize these funds in a way that would be most beneficial to employees. With that said, in 2019, HR surveyed all County employees to obtain their feedback on the types of wellness initiatives that would most interest them. Six hundred seventeen (617) employees responded to the survey, which is equivalent to approximately 32% of our workforce. Participants were provided with suggested wellness program initiatives and asked to identify their top five choices. The results were as follows:

- Running/Walking Hiking - 17%
- Yoga/Stretching/Meditation - 15%
- Free Healthy Snacks - 15%
- Weight/Resistance Training - 14%
- Nutrition Education/Cooking Classes - 10%
- Stress/Anxiety Management Classes - 9%
- County-Wide Fitness or Wellness Challenge - 9%
- Group Sports (e.g., basketball, baseball, softball, golf, etc.) - 7%
- Cycling - 6%

This year, due to the ongoing COVID-19 pandemic, Human Resources has facilitated virtual wellness sessions and continues to explore opportunities to focus efforts on the top initiatives identified by employees, while doing so with the physical safety and wellbeing of our employees in mind. In considering the level of funding and coordination required HR will use the funding to arrange classes and acquire wellness incentives. In an attempt to lower costs, HR will attempt to coordinate with volunteer instructors that were identified through the employee survey. In arranging health and wellness activities, HR will consider the location and timing to ensure activities reach employees across locations and Departments.

HR is seeking the Board's approval to 1) accept the rebate funding, 2) utilize the funding for health and wellness initiatives that are consistent with the feedback provided by County employees, and 3) authorize HR to continue to request and accept rebate funding in future years for health and wellness initiatives.

ALTERNATIVES

The Board could 1) choose to send the rebate money back to PRISM or 2) direct HR to utilize the funds for different health and wellness initiatives, and 3) direct HR to return to the Board annually with its recommendation to accept future rebate funding.

PRIOR BOARD ACTION

The Board previously accepted rebate funding on July 23, 2019, Legistar item 19-1079.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

PRISM, Kaiser, Blue Shield of California, Chief Administrative Office

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

There is no financial impact to the County at this time as HR would spend only the dollar amount received through PRISM. According to PRISM rebate provisions, the rebate must be used for employee health and wellness programs.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

This effort supports the Good Governance priority to “create and maintain a supportive culture for all employees through staff engagement in policy and process decisions and through strong labor relations.”

CONTACT

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