



BEAUMONT-CHERRY VALLEY WATER DISTRICT
560 Magnolia Avenue, Beaumont, CA 92223

**NOTICE AND AGENDA
MEETING OF THE PERSONNEL COMMITTEE**

*This meeting is hereby noticed pursuant to
California Government Code Section 54950 et. seq.*

Tuesday, August 15, 2023 - 5:30 p.m.
560 Magnolia Avenue, Beaumont, CA 92223

TELECONFERENCE NOTICE

*The BCVWD Personnel Committee members will attend in person at the
BCVWD Administrative Office*

This meeting is available to the public via Zoom teleconference

To access the Zoom conference, use the link below:

<https://us02web.zoom.us/j/85792068838?pwd=cFArZHZ4aHRSUmJLeTBCZVpnUGRmdz09>

To telephone in, please dial: (669) 900-9128
Enter Meeting ID: 857 9206 8838 • Enter Passcode: 457586

*For Public Comment, use the “**Raise Hand**” feature if on
the video call when prompted. If dialing in, please **dial *9 to**
“**Raise Hand**” when prompted*

Meeting materials will be available on the BCVWD’s website:

<https://bcvwd.org/document-category/personnel-committee-agendas/>

PERSONNEL COMMITTEE MEETING – AUGUST 15, 2023

Call to Order: Chair Covington

Roll Call

| | |
|--|------------------------------|
| | John Covington, Chair |
| | Andy Ramirez |

| | |
|--|----------------------------------|
| | Lona Williams (alternate) |
|--|----------------------------------|

PERSONNEL COMMITTEE MEETING – AUGUST 15, 2023 - *continued*

Public Comment

PUBLIC COMMENT: RAISE HAND OR PRESS *9 to request to speak when prompted. At this time, any person may address the Personnel Committee on matters within its jurisdiction which are not on the agenda. However, non-agenda matters that require action will be referred to Staff for a report and possible action at a subsequent meeting. **Please limit your comments to three minutes.** Sharing or passing time to another speaker is not permitted.

1. **Adjustments to the Agenda:** In accordance with Government Code Section 54954.2, additions to the agenda require a 2/3 vote of the legislative body, or if less than 2/3 of the members are present, a unanimous vote of those members present, which makes the determination that there is a need to take action, and the need to take action arose after the posting of the agenda.
 - a. Item(s) to be removed or continued from the Agenda
 - b. Emergency Item(s) to be added to the Agenda
 - c. Changes to the order of the Agenda
2. **Acceptance of Personnel Committee Meeting minutes**
Minutes may be accepted by consensus
(The July 18, 2023 meeting was canceled.)
 - a. June 20, 2023 (pages 4 - 7)

ACTION ITEMS

3. **Report / Update from BCVWD Employees Association** (no staff report)
4. **Report / Update from BCVWD Exempt Employees** (no staff report)
5. **Human Resources Department Report** (pages 8 - 10)
6. **Policies and Procedures Manual Updates / Revisions** (pages 11 - 25)
 - a. Policy 3235 Military Leave
7. **Health Insurance Premium Increases for 2024** (pages 26 - 33)
8. **Action List for Future Meetings**
 - *Employee Association topics*
 - *Policy manual updates (ongoing)*
 - *District residences, as applicable*
9. **Next Meeting Date: September 19, 2023**
10. **Adjournment**

AVAILABILITY OF AGENDA MATERIALS - Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the Beaumont-Cherry Valley Water District Personnel Committee in connection with a matter subject to discussion or consideration at a meeting of the Personnel Committee are available for public inspection in the District's office, at 560 Magnolia Avenue, Beaumont, California ("District Office") during business hours, Monday through Thursday from 7:30 a.m. to 5 p.m. If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available from the District Office at the same time or within 24 hours' time as they are distributed to all or a majority of the Board of Directors, except that if such writings are distributed one hour prior to, or during the meeting, they can be made available in the Board Room at the District Office. Materials may also be available on the District's website: www.bcvwd.org.

REVISIONS TO THE AGENDA - In accordance with §54954.2(a) of the Government Code (Brown Act), revisions to this Meeting Agenda may be made up to 72 hours before the Committee Meeting, if necessary, after mailings are completed. Interested persons wishing to receive a copy of the set Agenda may pick one up at the District's Main Office, located at 560 Magnolia Avenue, Beaumont, California, up to 72 hours prior to the Committee Meeting, or download from the District's website: www.bcvwd.org.

REQUIREMENTS RE: DISABLED ACCESS - In accordance with §54954.2(a), requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting, should be made to the District Office, at least 48 hours in advance of the meeting to ensure availability of the requested service or accommodation. The District Office may be contacted by telephone at (951) 845-9581, email at info@bcvwd.org or in writing at the Beaumont-Cherry Valley Water District, 560 Magnolia Avenue, Beaumont, California 92223.

CERTIFICATION OF POSTING

A copy of the foregoing notice was posted near the regular meeting place of the Board of Directors of Beaumont-Cherry Valley Water District and to its website at least 72 hours in advance of the meeting (Government Code §54956(a)).



BEAUMONT-CHERRY VALLEY WATER DISTRICT AGENDA

560 Magnolia Avenue, Beaumont, CA 92223

MINUTES OF THE PERSONNEL COMMITTEE MEETING

Tuesday, June 20, 2023 at 5:30 p.m.

CALL TO ORDER

Chair Covington called the meeting to order at 5:33 p.m.

Attendance. Directors Covington and Williams attended in person.

| | |
|---|---|
| <i>Directors present:</i> | <i>Covington, Williams (alternate)</i> |
| <i>Directors absent:</i> | <i>Ramirez</i> |
| <i>Staff present:</i> | <i>General Manager Dan Jagers Director of Finance and Administration Kirene Bargas, PhD Director of Information Technology Robert Rasha Finance Manager Bill Clayton Senior Management Analyst Sylvia Molina Management Analyst II Lorena Lopez Management Analyst I Erica Gonzales Administrative Assistant Cenica Smith</i> |
| <i>BCVWD Employee Association reps:</i> | <i>Senior Water Utility Worker Andrew Beccera</i> |

PUBLIC COMMENT: *None.*

ACTION ITEMS

1. **Adjustments to the Agenda:** *None.*

2. **Acceptance of the Meeting minutes**

a. May 16, 2023

The Committee accepted the minutes of the Personnel Committee meeting by the following vote:

| | | |
|-----------------|---------------------|----------|
| MOVED: Williams | SECONDED: Covington | APPROVED |
| AYES: | Covington, Williams | |
| NOES: | None. | |
| ABSTAIN: | None. | |
| ABSENT: | None. | |

3. **Report / Update from BCVWD Employees Association:** *None.*

4. Report / Update from BCVWD Exempt Employees: None.

5. Report from Human Resources Department

Dr. Bargas presented the report.

In response to Director Covington, Dr. Bargas cross-referenced Table 5 Recruitment, with Table 2 New Hires. General Manager Jagers added some detail on specific positions and acknowledged the work of staff on recruitments.

Director Covington asked about the communication regarding the Beaumont Library Summer program, and Dr. Bargas indicated it was an informational item for those who live in Beaumont. Mr. Jagers added that the District is trying to communicate these types of opportunities to staff.

6. Discussion of Remote Work Status

General Manager Jagers provided a brief recap of discussion at the last meeting. He stated his recommendation is to continue to support activities that require remote work for families but not create a formal policy. He would like to understand the experience of other agencies which have recently created such policies, he explained. He offered flexibility on a case by case basis as the need arises.

Director Williams pointed out that work from home makes it difficult to focus. She said she is inclined to support as-needed rather than a hybrid schedule.

Director Covington said this will need to run the course, but understood that Mr. Jagers would support some type of remote work if there were a specific need or circumstance.

Mr. Jagers briefly explained the post-COVID-19 situation and said the scenario has not been implemented perfectly in the past year and noted there have been inconsistencies. The move forward is to provide opportunity for remote work when the need arises, he said. The goal is to clearly set expectations that staff works full time, but it makes sense to have some flexibility at times, and that may create undue hardships, but that is a management-level activity on an as-needed basis, he stated. Combining direction from the Board with honest and healthy response for staff and trying to find common ground will be refined further as perspective is gained.

A reorganization is on the Board agenda this week, Jagers continued, and once that is complete the team can collaborate to find the healthiest place, while respecting the Board's direction. He emphasized consistency in application of the opportunities.

Director Covington asked if there was need for remote work, rather than it being based on convenience. Mr. Jagers provided an example: he will be working half a day remote then attending a funeral.

Director Covington pointed out that a policy that binds the District to obligations may not work for specific situations. Flexibility at the discretion of the general manager has benefit, he stated.

Ms. Lopez said she appreciated the open discussion and the general manager's flexibility. She said she is satisfied with the discussion.

Director Covington said he understood the need for flexibility and offered final comments.

7. Request for Restrooms for Field Staff

Mr. Jagers described the need for a reasonable portable restroom to take to job sites. This is a management level item and if the cost is within the general manager's purchasing authority and there is a budget available, there will be an opportunity. He advised the staff that there is cognizance of their needs and will make sure they have good facilities. The situation is being considered, he assured.

8. Policies and Procedures Manual Updates / Revisions

Policy 3235 Military Leave: Dr. Bargas introduced the proposed new policy. It has been reviewed by legal counsel, and was provided to the MOU group, she noted.

Personnel Committee members Williams and Covington discussed the following elements of the proposed policy:

- Volunteer firefighter: No length of time specified for eligible leave responding to a fire
- Cost to the District: Define absence with or without pay
- Clarify the law related to returning to work after military leave / ability to return to the job as provided by law
- Further clarify paid / unpaid leave
- Assure employees are properly covered; that is important while serving in any capacity
- Some punctuation and capitalization errors

Director Covington indicated he would like to review the State law and go from there. He said he is not comfortable adopting something just because it is a CSDA or other agency policy. Mr. Jagers suggested a summary from legal counsel.

Management Analyst II Lorena Lopez shared the District's recent experience with an employee serving active duty with the Coast Guard Reserve. The employee was on unpaid military leave for about a year and a half. The District continued to cover his benefits, and the employee continued to accrue vacation, holidays, and sick time. The employee paid for his elected benefits, she added.

Mr. Jagers said the policy would be brought back for further review.

9. Action List for Future Meetings

- *Employee Association topics*
- *District residences*
Chair Covington noted that District residences items that are not applicable to the Personnel Committee should not be on the agenda. He directed staff not to install an employee in the vacant residence until it meets standards of safety.
- *Policy manual updates (ongoing)*

10. Next Meeting Date: Tuesday, July 18, 2023, at 5:30 p.m.

ADJOURNMENT: 6:27 p.m.

Attest:

DRAFT UNTIL APPROVED

John Covington, Chairman
to the Personnel Committee of the Beaumont-Cherry Valley Water District

DRAFT



**Beaumont-Cherry Valley Water District
Personnel Committee Meeting
August 15, 2023**

Item 5

HUMAN RESOURCES REPORT

TO: Board of Directors – Personnel Committee

FROM: Dr. Kirene M. Bargas, Director of Finance and Administration

THROUGH: Sylvia Molina, Assistant Director of Finance & Administration

SUBJECT: Human Resources Department Report for the Months of June & July 2023

Table 1: Personnel

The below table represents Workforce.

As of July 31, 2023

| | |
|---|----|
| Total Current Employees (Excluding Board Members) | 44 |
| Full-Time Employees | 38 |
| Part-Time | 2 |
| Temporary | 3 |
| Interns | 1 |
| Separations | 1 |
| Retired Employee(s) | 0 |

As of June 30, 2023

| | |
|---|----|
| Total Current Employees (Excluding Board Members) | 45 |
| Full-Time Employees | 39 |
| Part-Time | 2 |
| Temporary | 3 |
| Interns | 1 |
| Separations | 2 |
| Retired Employee(s) | 0 |

Table 2: New Hires

The below table represents new hires.

As of July 31, 2023

| Employee Name | Job Title | Department |
|---------------|-----------|------------|
| N/A | | |
| | | |



As of June 30, 2023

| Employee Name | Job Title | Department |
|---------------|-----------------------|-------------|
| Inmar Shihab | Engineering Assistant | Engineering |
| Jaden Schuler | Temp WUWI | Operations |

Table 3: Anniversaries*

The below table represents BGVWD employee anniversaries.

As of July 31, 2023

| Employee Name | Department | Years of Service |
|-------------------|-----------------------|------------------|
| Rasha Jr Robert M | Director of IT | 9 years |
| Ward Evan J | Engineering Assistant | 3 years |

As of June 30, 2023

| Employee Name | Department | Years of Service |
|---------------------|---------------------------------|------------------|
| Morales Michael | Water Utility Supervisor | 22 years |
| Clayton William | Finance Manager | 8 years |
| Delgadillo Sandra L | Customer Service Supervisor | 6 years |
| Walker Aaron | Development Services Technician | 6 years |
| Gonzales Erica M | Management Analyst I | 5 years |
| Enriquez Ericka S | Customer Service Rep I | 2 years |
| Lomeli Luis F | Customer Service Rep II | 1 year |

**Work Anniversaries for the purposes of this report are calculated from the hire date and do not determine employment conditions or terms. This report does not include elected officials.*

Table 4: Promotions or Division/Title Change

The below table represents promotions or Division/Title Changes.

As of July 31, 2023

| Employee Name | Former Title | Promotion to |
|---------------|-----------------------------|--|
| Sylvia Molina | Senior Management Analyst | Assistant Director of Finance & Administration |
| Lynda Kerney | PT-Administrative Assistant | Executive Assistant |

As of June 30, 2023

| Employee Name | Former Title | Promotion to |
|-----------------|-------------------------|-----------------------------|
| Natalia Murillo | Temp. CSRI | Full Time CSRI |
| Edmund Clark | Water Utility Worker II | Senior Water Utility Worker |



Table 5: Recruitment

The below table represents active/closed recruitment(s).

As of July 31, 2023

| Position | Department | Update |
|---------------------------|-------------------|---------------------------|
| Temp Water Utility Worker | Operations | Hired. State date: August |
| HR Manager | Human Resources | Current Recruitment. |

As of June 30, 2023.

| Position | Department | Closing Date |
|---|------------------------------|----------------------------------|
| Customer Service Representative I | Finance & Administration | Temp to FT- Internal Recruitment |
| Human Resources Manager | Finance & Administration | 6/23/23 - 7/7/23 External |
| Assistant Director of Finance & Administration (Flex class) | Finance & Administration | 6/23/23 – 6/29/23 Internal |
| Executive Assistant | GM/ Finance & Administration | 6/26/23 – 7/7/23 Internal |

Table 6: Separation/Retirement

The below table represents employees separating from BCVWD.

As of July 31, 2023: None

As of June 30, 2023.

| Employee Name | Position Held | Department | Last Day |
|----------------------|----------------------|-------------------|-----------------|
| Audie Estrada | Temp WUWI | Operations | 6/01/2023 |

Table 7: Communications

The below table represents HR communications to BCVWD employees. June & July 2023

| Communication | Topic |
|--|--------------|
| Employee Update/Training/Meeting on the 457 Plan: There was a 33% increase in employee participation. We now have 18 of 40 full-time employees participating in the program. | HR |
| Employment Opportunities, Recruitment, Promotions, Separations | Personnel |
| Safety Training | Safety |
| Ergonomics Assessments Received Report in August 2023. | Safety |
| Great Place to Work Survey Implementation | HR |

Prepared by Dr. Kirene M. Bargas, Director of Finance & Administration



**Beaumont-Cherry Valley Water District
Personnel Committee
August 15, 2023**

Item 6

STAFF REPORT

TO: Personnel Committee of the Board of Directors
FROM: Dr. Kirene M. Bargas, Director of Finance and Administration
SUBJECT: Policies and Procedures Manual Updates/Revisions

Staff Recommendation

Review the proposed Military Leave / Military Family Leave policy, consider optional / discretionary items, direct staff to make edits as desired, and recommend the new Policy 3235 to the Board of Directors.

Executive Summary

After discussion of this proposed policy at the June meeting, staff worked with HR Dynamics, and with District legal counsel to obtain more detailed information, refine the proposed Military Leave policy, and identify discretionary items for Personnel Committee / Board discussion.

Background

At the July 23, 2018 Personnel Committee Meeting, Committee members directed staff to review, revise and update the District's Policies and Procedures. At the July 27, 2020 meeting, an overview of the proposed changes to the organization of the document was presented. The Committee requested "redlined" versions of changes to review each item thoroughly. Policy Approval Tracking (**Attachment 2**) provides an overview of the project thus far. At the request of the Committee, the Tracking sheet was updated to add highlighting to indicate highest priority and lowest priority updates. The Board identified that safety-related policies are to be top priority.

Summary

Several sources were consulted to update the content of the District's Policy Manual, including sample policies from the California Special Districts Association, articles published by the California League of Cities and Institute for Local Government, and recently updated manuals of other special districts. The aim of the reorganization of the Policy Manual is to introduce consistency and modernize the document to align with the organizational goals of the District.

Revised policies are drafted using the APA (American Psychological Association) Style for writing style and grammar, plus direction from the Board. The APA style emphasizes continuity, flow, conciseness, bias-free language, and clarity. These objectives parallel the District's goals for transparency in public documents and promote clear and enforceable policies.



Summary Table

| | |
|--|---|
| Policy 3235 Military Leave / Military Family Leave | <ul style="list-style-type: none">• Proposed new policy• Sets forth District procedures to eliminate questions or unknowns in the event of military leave• Provides transparency and fairness |
|--|---|

Discussion

The Personnel Committee reviewed this proposed new policy at its meeting of June 20, 2023 and referred it back to staff for some clarifications. Staff worked with HR Dynamics and with District legal counsel to obtain more detailed information, refine the proposed Military Leave policy, and identify discretionary items for discussion. There have been substantial revisions and the proposed policy is rather different than the prior version.

Military leave is governed by federal and state law. The District, of course, follows California state law, which is more comprehensive and generous than federal law. In addition, public employers have a greater responsibility and legal requirements than private employers, and some choose to offer benefits beyond what is legally required.

- Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA)

<https://www.dol.gov/agencies/vets/programs/userra/USERRA-Pocket-Guide>

Generally requires employers to reemploy eligible veterans returning to civilian employment after a period of service in the uniformed services. Uniformed service includes United States active duty and reserve component military organizations, and certain other non-military organizations including the Federal Emergency Management Agency's (FEMA) Urban Search and Rescue System (USAR), the National Disaster Medical System (NDMS), and the commissioned corps of the Public Health Service (PHS).

- California Military and Veterans Code, Chapter 7 (§389 – 399.5)

<https://leginfo.legislature.ca.gov/faces/codesTOCSelected.xhtml?tocCode=MVC&tocTitle=+Military+and+Veterans+Code+-+MVC>

Requirements

- Reemployment following absence due to service in the same position that the employee would have attained had they not been absent for military service, with the same seniority, status and pay, as well as other rights and benefits determined by seniority
- An uncompleted probationary period, if any, in the public agency, must be completed upon reinstatement as provided by law or rule of the agency
- Advance notice (oral or in writing) to the employer
- Cumulative period(s) of service while employed by the employer must not exceed five years



- The application for reemployment must be timely
- The discharge from service must not be disqualifying
- Provide training to restore competency in duties, seniority, status, pay, pensions, and other benefits that would have accrued but for the employee's absence due to uniformed service
- Freedom from discrimination and retaliation
- Cal PERS Retirement:
 - Employers must make the non-elective employer contributions that would have been made during the military service period
 - A rehired veteran must be permitted to make up missed contributions required to earn a benefit accrual for the military service period
 - For purposes of pension plan participation, vesting, and accrual of benefits, USERRA treats military service as continuous service with the employer
- Health Insurance Protection
 - For military service of less than 31 days, health care coverage is provided as if the servicemember had remained employed.
 - The employee has the right to elect to continue existing employer-based health plan coverage for up to 24 months (COBRA) at a cost of 102 percent of the full premium
 - Reinstatement in employer's health plan when reemployed, generally without any waiting periods or exclusions (e.g., pre-existing condition exclusions) except for service-connected illnesses or injuries.
- Benefits (CMVC 395(d)): employee shall receive the same vacation, sick leave, and holiday benefits
- Salary (CMVC 395.01(a)): A public employee is entitled to receive his or her salary or compensation for the first 30 calendar days of any such absence (one instance per year).

Options (not legally required)

During research on other public employers' policies, staff noted some available benefits above and beyond those required by law. Included in the policy draft for consideration are those items which are sometimes or typically provided by local agencies (highlighted **in yellow** on the draft). Options may include:

1. Continued payment of the employee's health insurance benefits for a period past the required 30 days. BCVWD's current practice is to continue to provide health insurance benefits for the duration of military leave. Staff recommends no change in this practice.
2. Continued payment of the employee's long-term disability, term life, or other regular insurance coverages. BCVWD's current practice is to continue to provide these benefits for the duration of military leave. Staff recommends no change in this practice.
3. Provision of holiday pay during period of military leave. BCVWD's current practice is to continue to provide holiday pay for the duration of military leave. Staff recommends no change in this practice.
4. Payment of the difference between military pay and the employee's regular salary



5. Payment of employee salary during a period of inactive duty training (CMVC 395.01(b))
6. Payment of the employee's portion of optional benefits (dental, vision, etc.)
7. Earning of additional vacation time or other paid-time-off benefits during military leave depends on how the benefits are earned and how the employer treats them under other leave policies.

As with any employee benefit, offering options greater than legally required can be a helpful tool for employee recruitment and retention purposes.

Discussion at the June meeting included reference to other types of leave, such as for volunteer firefighting and others. HR Dynamics recommends these be separated from the Military Leave / Family Military Leave policy and addressed in a Miscellaneous Leave policy.

Fiscal Impact

There will be a fiscal impact to the District under provisions of existing law. Additional fiscal impact will depend on the cost of any options selected.

Attachments

1. Proposed Policy 3235 Military Leave / Military Family Leave
2. Policy Approval Tracking

Staff Report prepared by Lynda Kerney, Executive Assistant

POLICY TITLE: MILITARY LEAVE / MILITARY FAMILY LEAVE
POLICY NUMBER: 3235

3235.1 Purpose. Military leave is governed by state and federal law: (Military and Veterans Code §§ 389 *et seq.* and the Uniformed Services Employment and Reemployment Rights Act (USERRA), 38 U.S.C. §§ 4301 *et seq.* The intent of this policy is to set out the basic parameters of applicable law and is not intended to expand any rights beyond those provided by law, except as specifically stated herein. In the event of any inconsistency between this policy and applicable law, the federal or state law will prevail.

3235.2. Employees who are or become a member of the reserve corps of the Armed Forces of the United States, and eligible forces in section 3235.5 below shall be entitled to leaves of absence and employment rights and privileges provided by the Military and Veterans Code of the State of California.

3235.3 Military Leave shall be in accordance with Federal and State Law and will correlate with the District's "most favorable" benefits.

3235.4 A Beaumont-Cherry Valley Water District regular or part time employee may be entitled to the following rights as outlined below.

3235.5 Eligibility. Eligible employees are members of the reserve corps of the Armed Forces of the United States (including the US. Air Force, Army, Navy, Marine Corps, Space Force, Coast Guard, Revenue Marine Service, and the Army and Navy Nurse Corps), the National Guard, the commissioned corps of the National Atmospheric Administration, the California State Guard (Military Reserve), Federal Emergency Management Agency reserves, the National Disaster Medical System (NDMS) and the commissioned corps of the Public Health Service (PHS), or as otherwise described in federal and state law.

3235.6 Definitions.

3235.6.1 Military Leave: the performance of duty on a voluntary or involuntary basis in a uniformed service under competent authority, and includes active duty, active duty for training, initial active duty for training (weekend drills), full-time National Guard duty, and a period for which an employee is absent for the purpose of an examination to determine the fitness of the person to perform any such duty.

3235.6.2 Active Duty: ordered duty as a member of a reserve component of the Armed Forces of the United States, as a member of the National Guard or Naval Militia.

3235.6.3 Inactive Duty: drills and other types of training performed periodically by reserve and National Guard members whose status is inactive and does not change to active during the time of their participation. This is usually two (2) days per month for most reserve units to drill, or as otherwise provided by law.

3235.6.4 Annual Training: the District grants short-term military leave for annual training such as active duty military training, encampment, naval cruises and special exercises.

3235.6.5 30-day period: The first 30 calendar days of any military leave of absence. Military leave begins on the first day of ordered duty.

3235.6.6 One Year of public agency service: Includes the combination of all employment by BCVWD within one calendar year prior to the eligible leave.

3235.7 Types of Leave

3235.7.1 **Long-Term Military Leave:** an order to report for active duty in the Armed Forces, National Guard or Naval Militia for a period in excess of one hundred and eighty (180) days.

3235.7.2 **Temporary Military Leave:** an order for military duty for purposes of active military training, inactive duty training, encampment, naval cruises, special exercises or like activity, providing that the period of ordered duty does not exceed one hundred and eighty (180) calendar days, including travel time involved in going to and returning from that duty. (MVC § 395(a))

3235.7.3 **War or National Emergency Leave:** leave when the President of the United States has determined that it is necessary to augment the active forces for any operational mission, or in time of a national emergency declared by the President or the Congress of the United States.

3235.7.4 **Emergency Military Leave:** military leave for members of the National Guard during such time as the Governor of California may have issued a proclamation of a state of extreme emergency under the provisions of Section 143 or 146 of the Military and Veterans Code or during such time as the National Guard may be on active duty for one or more situations described in more detail in Section 146 of the Military and Veterans Code. (MVC §395.05 (a)). The leave period is not to exceed the duration of the emergency and time required to travel to and from duty.

3235.8 **Notice and Orders.** Employees who have been ordered to military service must provide advance notice (orally or in writing) as soon as practicable to their immediate supervisor or department head unless military necessity prevents the giving of notice, or the giving of notice is impossible or unreasonable. A copy of military orders and/or the annual drill schedule must be submitted as soon as available. Official orders are required for periods of military leave exceeding thirty (30) days and may be required for other periods of military leave.

3235.9 **Length of Leave.** The length of military leave is the period of active duty not including travel time going to and returning from such duty unless the orders provide for additional travel time.

3235.9.1 To receive the rights and benefits of emergency military leave, an employee must begin active duty within 10 calendar days after:

- (1) the last day physically worked, or
- (2) the last day on vacation or compensating time off before the active duty date.

3235.10 **Pay While on Military Leave.** Pay means compensation that is equal to the employee's regular gross pay for the days and hours that the employee is normally scheduled to work within thirty (30) *calendar* days. This involves the number of working hours the employee would normally work during a period of 30 calendar days and does not include overtime. This does not represent 30 workdays of pay.

3235.10.1 Employee shall be responsible to pay the required employee and dependent contributions, if any, toward any benefits.

3235.10.2 Except as otherwise provided by law or a duly adopted resolution, ordinance, memorandum of understanding, or this policy, military leave shall be unpaid.

3235.10.3 An employee on military leave is entitled to salary and benefits as provided by law or as outlined if:

- (1) Employee has been in the service of the District for a period of not less than one year immediately prior to the day on which the absence begins

(2) There has been no break in the continuity of service to the District, and

(3) The employee has 26 qualifying pay periods of District service immediately prior to the active duty date.

3235.10.4 The District will pay the salary of an employee with one year of service to BCVWD on qualifying military leave up to a maximum of 30 calendar days in one fiscal year.

If an employee is on active duty that extends from one fiscal year into the next fiscal year, the number of calendar days falling in the second calendar year will be included in the calculation of the 30 calendar day period for the second fiscal year. In no event shall an employee receive Full Salary while on military leave for active duty for more than 30 calendar days in any one fiscal year.

3235.10.5 Unpaid period. An employee is not paid for the time between release from active military duty and reinstatement to District service.

3235.10.6 The District does not pay for Inactive Duty Training (MVC 395.01(b))

3235.11 Travel Time.

3235.11.1 Travel time is not included in military leave for purposes of pay unless the orders clearly state travel time is part of the active duty.

3235.11.2 An employee may use the day prior to the active duty date for travel unless the orders indicate otherwise. If traveling on a working day, the employee may use any accrued paid time off except sick leave to receive pay for the travel time.

3235.11.3 If travel time is used, the District must consider the travel time when computing whether the employee qualifies for pay.

3235.12 Inactive Duty Training.

3235.12.1 Inactive duty such as scheduled reserve drill periods also qualifies for a military leave of absence.

3235.12.1.1 The District does not grant paid time off for inactive duty leaves.

3235.12.1.2 An employee may use any accrued paid time off except sick leave to attend scheduled reserve drill periods or perform other inactive duty reserve obligations.

3235.13 Health Insurance and Insurance Premium Benefits.

3235.13.1 Long Term or Temporary Military Leave: BCVWD will continue to pay its designated contribution toward the cost of health and life insurance premiums for the employee and any dependents for the length of military leave, whether such leave is paid or unpaid.

3235.13.1 (a) Employees with fewer than thirty (30) days of service with BCVWD will not be eligible for health insurance or life insurance benefits pursuant to BCVWD's health insurance or life insurance plans.

3235.13.1(b) For periods of unpaid military leave of thirty-one (31) days or more, employees may elect to pay for continuation coverage (COBRA) for up to the lesser of : (1) twenty-four (24) months from the date the leave began or (2) the day after the date on which the person fails to apply for or return to a position of employment. (38 U.S.C. §4317). The cost the employee must pay is not more than one hundred and two (102) percent of the cost of the health benefit coverage as determined by COBRA.

3235.13.1(c) Military Leave of more than thirty (30) days constitutes a "qualifying event" that triggers

COBRA notification to qualified dependents.

3235.14 Retirement Benefits: An employee on military leave retains membership in the California Public Employees' Retirement System (CalPERS). While on unpaid military leave, retirement contributions are not deducted from the employee's payroll. An employee may apply for CalPERS service credit for military duty by contacting CalPERS. The employee bears the cost of service credit, unless the employee qualifies for no member cost.

3235.15 Other Benefits: BCVWD offers additional benefits such as supplemental insurance, an employee assistance program, and others. Questions regarding other benefit plans should be referred to Human Resources.

3235.16 Notification of Intent Not to Return. Any employee on military leave who knowingly provides written notice of intent not to return to his or her position of employment after service in the Armed Forces (uniformed services) is not entitled to rights and benefits that are not determined by seniority as are generally provided by the District to employees having similar seniority, status, and pay who are on furlough or leave of absence under a contract, agreement, Section, practice, or plan in effect at the commencement of such service.

3235.17 Vacation, Sick Leave, Holiday Pay

3235.17.1 Vacation and Sick Leave

(a) An employee on military leave will continue to accrue vacation and sick leave for up to one hundred and eighty (180) days. Upon return, these credits will be given at the same rate that would have applied if the employee had remained on the job.

(b) After War or national emergency military leave: Employee is eligible to receive vacation and sick leave for up to 24 months, based on the length of military leave. Employee begins earning vacation and sick leave immediately upon return at the rate they would have received had they remained on the job.

(c) All military service will be counted as District service for the purpose of vacation benefits accrual.

(d) Unused vacation or sick leave will be credited upon the employee's return to work

3235.17.2 Holiday Pay: An employee will be paid for any BCVWD holidays that fall during a period of military leave to the extent that the employee would otherwise be eligible for holiday pay.

3235.17.3 While on military leave an employee may draw from accrued paid time off, except for sick leave, at any time. Human Resources must be notified to process this request. (38 U.S.C. §4316)

3235.18 Reinstatement.

3235.18.1 Reinstatement rights will be as provided by state and / or federal law.

3235.18.2 If the employee was serving in a probationary period at the time of military leave the time remaining to be served in the probationary period must be completed upon return.

3235.18.3 To return to the job after completing military leave, the employee should contact Human Resources or the Director of Finance and Administration to request reinstatement. A written request is encouraged.

- (a) **Military Leave of 30 Days or Less:** An employee performing 30 days or less of military service must report back to work at the beginning of the next regularly scheduled work shift that begins after the employee's safe return home plus 24 hours. If reporting back to work within this time period is impossible or unreasonable through no fault of the employee, the employee must report back to work as soon as possible after the employee's safe return home plus 24 hours.
- (b) **Military Leave of 31 Days to 180 Days:** An employee returning from 31 days to 180 days of military leave must submit notice for reemployment no later than 14 days after completion of military service. If submitting the notice within 14 days is impossible or unreasonable through no fault of the employee, the employee must submit a notice for reemployment on the next first full calendar day when submission of the notice becomes possible.
- (c) **Military Leave of 180 Days or More:** An employee returning from 180 days or more of military leave must submit a notice for reemployment no later than 90 days after the completion of military service.
- (d) **Illness or Injury Incurred During Performance of Military Service:** An employee who is hospitalized for, or convalescing from, an illness or injury incurred in, or aggravated during, the performance of military service must either report to HR or submit a notice for reemployment (in the case of an employee described in Subsections ii and iii above) at the end of the period that is necessary for the employee to recover from such illness or injury. Such period of recovery may not exceed two (2) years.
- (e) **Notice of Reemployment Requirements:** A notice or application for reemployment may be oral or written, however a writing is strongly encouraged. Additionally, a copy of the military separation document will be required to submit with the notice. The separation document may be:
 - Department of Defense Form 214 (DD214) or
 - any other correspondence which either identifies the branch of service or is printed on the official letterhead of the branch of the military service.
- (f) **The military separation document must provide:**
 - the condition of the employee's release from the military service (for example, "honorable," "general," "under honorable conditions" are considered satisfactory discharges),
 - the date the employee entered active duty, and
 - the date the employee was released from duty.

3235.19 Reemployment Position: An employee returning from military service will be placed in the reemployment position with the pay, rights and benefits required by law. Generally, the returning employee is returned to the same or equivalent position with equivalent benefits, pay and other terms and conditions of employment and without loss of job seniority or any other status or benefits accrued prior to or during military leave, provided the employee would still be employed if military leave had not been taken.

3235.19.1 If an employee has not yet completed his/her probationary period at the time his/her military leave commences, his/her probationary period must be completed upon reinstatement. Time spent on military leave(s) shall not count toward completion of a probationary period. An employee's probationary period

will be extended by the length of the military leave, and is further subject to any other requirements of the Personnel Rules and Regulations, Memoranda of Understanding, and/or Department-specific policies.

3235.19.2 If the employee's position has been abolished or otherwise has ceased to exist during the employee's absence, the employee will be reinstated to a position of like seniority, status, and pay if a position exists, or if no position exists the employee will have the same rights and privileges as though he or she had occupied the position when it ceased to exist.

3235.20 Employees with Less than One Year of Service.

3235.20.1 If an employee has served less than one year of employment with BCVWD, any periods of military leave will be unpaid.

3235.20.2 For an employee with more than thirty (30) days employment but less than one year of employment with BCVWD, the employer's designated contribution toward the cost of health and insurance for the employee and dependents **will be paid up to four (4) months while the employee is on military leave.**

3235.20.3 An employee with less than one year of service with BCVWD may use accrued vacation time, holidays or other compensatory time, except for sick leave, for any military leave. Benefits shall continue to accrue normally during any paid leave period.

3235.21 Military Family Leave. An employee who is a military spouse may be eligible for unpaid family leave for up to ten (10) days. (MVC §395.10)

3235.21.1 For an employee to qualify for this unpaid leave, the spouse must meet the following conditions:

- (a) Is a member of the U.S. Armed Forces, National Guard, or Reserves; and
- (b) If a member of the U.S. Armed Forces, has been deployed during wartime to an area designated as a combat theater or combat zone; and
- (c) If a member of the National Guard or Reserves, has been ordered to active duty during a period of military conflict, pursuant to Sections 12301 or 12302 of Title 10 of the U.S. Code or Title 32 of the U.S. Code.

3235.21.2 When requesting this unpaid leave, the military spouse must provide documentation to BCVWD that shows both the requested leave and the spouse's deployment will occur during the same period.

3235.22 Special Protection Against Discharge, Except for Cause: Under certain circumstances, an employee cannot be discharged for a period of time without cause after returning to their employment with the District.

3235.22.1 Pursuant to USERRA, a reemployed employee may not be discharged without cause (1) for one year after the date of reemployment if the person's period of military service was for 181 days or more; or (2) for 180 days after the date of reemployment if the person's period of military service was for 31 to 180 days.

3235.22.2 This special protection provision applies even if the employee was in an at-will or probationary status before leaving for service. As applied in this policy, "cause" shall have the same meaning as set forth in the applicable provision of the Personnel Rules and Regulations, memorandum of Understanding, employment contract, or Department policy, whichever governs the employee's relationship with the District.

3235.23 Discrimination and Retaliation Prohibited. Discrimination and retaliation against persons who have served or are serving in the uniformed services, including those who apply to be a member of or to perform service, are prohibited, as provided in Federal and State laws.

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**Policy Approval Tracking
BCVWD Policy Manual Project**

| Policy Number | New Policy Number | Section | Policy Name | Drafted by BCVWD Staff | Responsible Staff | Approved by Legal Counsel | Presented to Personnel Committee | Provisionally Approved by Personnel Committee | Presented to Board of Directors | Approved by Board of Directors | Adoption Date | Resolution Number |
|--------------------------|-------------------|---------------------------|--|------------------------|-------------------|---------------------------|----------------------------------|---|---------------------------------|--------------------------------|---------------|-------------------|
| 1 | 1000 | General | Definitions | Yes | Human Resources | 2/16/2021 | 2/22/2021 | 2/22/2021 | 4/14/2021 | 4/14/2021 | 4/14/2021 | 21-006 |
| 2 | 1005 | General | Contractual Provisions | Yes | Human Resources | 2/16/2021 | 2/22/2021 | 2/22/2021 | 4/14/2021 | 4/14/2021 | 4/14/2021 | 21-006 |
| N/A | 1010 | General | Policy Manual | Yes | Human Resources | 2/16/2021 | 2/22/2021 | 2/22/2021 | 4/14/2021 | 4/14/2021 | 4/14/2021 | 21-006 |
| 3 | 2000 | Administration | Equal Opportunity | Yes | Human Resources | 3/15/2021 | 3/22/2021 | 3/22/2021 | 4/14/2021 | 4/14/2021 | 4/14/2021 | 21-006 |
| 4 | 2005 | Administration | Affirmative Action | Yes | Human Resources | Recommend to Remove | 3/22/2021 | 3/22/2021 | 4/14/2021 | 4/14/2021 | 4/14/2021 | 21-006 |
| 5 | 2010 | Administration | Access to Personnel Records | Yes | Human Resources | 3/15/2021 | 3/22/2021 | 3/22/2021 | 4/14/2021 | 4/14/2021 | 4/14/2021 | 21-006 |
| 6 | 2015 | Administration | Harassment | Yes | Human Resources | 3/15/2021 | 3/22/2021 | 3/22/2021 | 4/14/2021 | 4/14/2021 | 4/14/2021 | 21-006 |
| 7 | 2020 | Administration | Sexual Harassment | Yes | Human Resources | 3/15/2021 | 3/22/2021 | 3/22/2021 | 4/14/2021 | 4/14/2021 | 4/14/2021 | 21-006 |
| N/A | 2025 | Administration | Whistleblower Protection | Yes | Human Resources | 3/15/2021 | 3/22/2021 | 3/22/2021 | 4/14/2021 | 4/14/2021 | 4/14/2021 | 21-006 |
| 8 | 3000 | Personnel | Employee Status | Yes | Human Resources | 4/12/2021 | 7/19/2021 | 7/20/2021 | 10/13/2021 | 10/13/2021 | 10/13/2021 | 21-018 |
| N/A | 3001 | Personnel | Employee Information and | Yes | Human Resources | 4/12/2021 | 6/21/2021 | 6/21/2021 | 10/13/2021 | 10/13/2021 | 10/13/2021 | 21-018 |
| N/A | 3002 | Personnel | Employee Groups | Yes | Human Resources | 4/12/2021 | 5/17/2021 | 5/17/2021 | 10/13/2021 | 10/13/2021 | 10/13/2021 | 21-018 |
| N/A | 3003 | Personnel | Employment Agreements | Yes | Human Resources | 5/10/2022 | 5/17/2022 | Tabled | | | | |
| 9 | 3005 | Personnel | Compensation | Yes | Human Resources | 7/13/2021 | 7/19/2021 | 7/20/2021 | 10/13/2021 | 10/13/2021 | 10/13/2021 | 21-018 |
| N/A | 3006 | Personnel | Contractor-Employee Relations | Yes | Human Resources | 7/13/2021 | 9/20/2021 | 9/20/2021 | 10/13/2021 | 10/13/2021 | 10/13/2021 | 21-018 |
| 10 & 49 | 3010 | Personnel | Employee Performance Evaluation | Yes | Human Resources | 7/13/2021 | 9/20/2021 | 9/20/2021 | 10/13/2021 | 10/13/2021 | 10/13/2021 | 21-018 |
| | | | Performance Evaluation-General Manager | | | | | | | | | |
| 11 | 3015 | Personnel | | Yes | Human Resources | 8/3/2021 | 9/20/2021 | 9/20/2021 | 10/13/2021 | 10/13/2021 | 10/13/2021 | 21-018 |
| 12 | 3020 | Personnel | Health and Welfare Benefits | Yes | Human Resources | 5/10/2022 | 5/17/2022 | 5/17/2022 | 6/8/2022 | 6/8/2022 | 6/8/2022 | 22-019 |
| | | | | | | | | | | | | |
| 13 | 3025 | Personnel | Pay Periods | Yes | Human Resources | 10/12/2021 | 11/15/2021 | 11/15/2021 | 5/11/2022 | 5/11/2022 | 5/11/2022 | 22-016 |
| 14 | 3030 | Personnel | Gift Acceptance Guidelines | Yes | Human Resources | 12/10/2021 | 4/19/2022 | 4/19/2022 | 5/11/2022 | 5/11/2022 | 5/11/2022 | 22-016 |
| 15 | 3035 | Personnel | Outside Employment | Yes | Human Resources | 10/12/2021 | 4/19/2022 | 4/19/2022 | 5/11/2022 | 5/11/2022 | 5/11/2022 | 22-016 |
| 16 | 3040 | Personnel | Letters of Recommendation | Yes | Human Resources | | | | | | | |
| 17 | 3045 | Personnel | Executive Officer | Yes | Human Resources | | | | | | | |
| 18 | 3050 | Personnel | Volunteer Personnel Workers' | Yes | Human Resources | | | | | | | |
| 19 | 3055 | Personnel | Work Hours, Overtime, and | Yes | Human Resources | 6/14/2022 | 7/19/2022 | 7/19/2022 with revisions | 9/14/2022 | 9/14/2022 | 9/14/2022 | 22-028 |
| | | | | | | | | | | | | |
| 20 | 3060 | Personnel | Continuity of Service | Yes | Human Resources | | | | | | | |
| 20 (incorrect numbering) | 3065 | Personnel | Reduction in Force | Yes | Human Resources | | | | | | | |
| 21 | 3070 | Personnel | Holidays | Yes | Human Resources | | | | | | | |
| | | | | | | | | | | | | |
| 22 | 3075 | Personnel | Vacation | Yes | Human Resources | 11/8/2022 | 1/17/2023 | 1/17/2023 | 2/8/2023 | 2/8/2023 | 2/8/2023 | 23-005 |
| 23 | 3080 | Personnel | Pre-Employment Physical | Yes | Human Resources | | | | | | | |
| 24 | 3085 | Personnel | Sick Leave | Yes | Human Resources | 7/14/2022 | 8/16/2022 | 8/16/2022 with revisions | 9/14/2022 | 9/14/2022 | 9/14/2022 | 22-028 |
| | | | | | | | | Move to Board for discussion, w/ counsel | | | | |
| 25 | 3090 | Personnel | Family and Medical Leave | Yes | Human Resources | 8/31/2022 | 10/18/2022 | | 12/14/2022 | 12/14/2022 | 12/14/2022 | 22-043 |
| 26 | 3095 | Personnel | Pregnancy Disability Leave | Yes | Human Resources | 9/1/2022 | 9/20/2022 | 9/20/2022 | 12/14/2022 | 12/14/2022 | 12/14/2022 | 22-043 |
| N/A | 3096 | Personnel | Lactation Accommodation | Yes | Human Resources | 8/25/2022 | 9/20/2022 | 9/20/2022 | 12/14/2022 | 12/14/2022 | 12/14/2022 | 22-043 |
| 27 | 3100 | Personnel | Bereavement Leave | Yes | Human Resources | 5/10/2022 | 5/17/2022 | 5/17/2022 | 6/8/2022 | 6/8/2022 | 6/8/2022 | 22-019 |
| 28 | 3105 | Personnel | Personal Leave of Absence | Yes | Human Resources | | | | | | | |
| 29 | 3110 | Personnel | Jury and Witness Duty | Yes | Human Resources | | | | | | | |
| N/A | 3111 | Personnel | Leave for Crime Victims and | Yes | Human Resources | 9/29/2022 | 10/18/2022 | 10/18/2022 | 12/14/2022 | 12/14/2022 | 12/14/2022 | 22-043 |
| 30 | 3115 | Personnel | Return to Work Policy | Yes | Human Resources | 1/11/2023 | 1/17/2023 | 1/17/2023 | 2/8/2023 | 2/8/2023 | 2/8/2023 | 23-005 |
| | | | Occupational Injury and Illness | | | | | | | | | |
| 31 | 3120 | Personnel | Prevention Program | Yes | Human Resources | 1/11/2023 | 1/17/2023 | 1/17/2023 | 2/8/2023 | 2/8/2023 | 2/8/2023 | 23-005 |
| N/A | 3121 | Personnel | Infectious Disease Control | Yes | Human Resources | 2/2/2023 | 2/21/2023 | 2/21/2023 | 3/15/2023 | 3/15/2023 | 3/15/2023 | 23-09 |
| N/A | 3122 | Personnel | Workplace Violence | Yes | Human Resources | 2/2/2023 | 2/21/2023 | 2/21/2023 | 3/15/2023 | 3/15/2023 | 3/15/2023 | 23-09 |

Priority Legend:
Yellow Highlight = Highest Priority
Light Blue Highlight = Lowest Priority

Policy Approval Tracking BCVWD Policy Manual Project

| Policy Number | New Policy Number | Section | Policy Name | Drafted by BCVWD Staff | Responsible Staff | Approved by Legal Counsel | Presented to Personnel Committee | Provisionally Approved by Personnel Committee | Presented to Board of Directors | Approved by Board of Directors | Adoption Date | Resolution Number |
|---------------|-------------------|--------------------|---|------------------------|------------------------|---------------------------|----------------------------------|---|---------------------------------|--------------------------------|---------------|-------------------|
| N/A | 3123 | Personnel | Asset Protection and Fraud | Yes | Human Resources | | | | | | | |
| 32 | 3125 | Personnel | Uniforms and Protective Clothing | Yes | Human Resources | 3/14/2023 | 3/21/2023 | 4/18/2023 | 5/10/2023 | 5/10/2023 | 5/10/2023 | 23-13 |
| 33 | 3130 | Personnel | Conferences | Yes | Human Resources | | | | | | | |
| 34 | 3135 | Personnel | Occupational Certification and Education | Yes | Human Resources | 6/14/2022 | 8/16/2022 | 8/16/2022 | 9/17/2022 | 9/17/2022 | 9/14/2022 | 22-028 |
| N/A | 3136 | Personnel | Succession and Workforce Planning | Yes | Human Resources | | | | | | | |
| 35 | 3140 | Personnel | Respiratory Protection Program | Yes | Human Resources | | | | | | | |
| 36 | 3145 | Personnel | Dirver Training and Record Review | Yes | Human Resources | 3/14/2023 | 3/21/2023 | 3/21/2023 | 4/12/2023 | 4/12/2023 | 4/12/2023 | 23-10 |
| 37 | 3150 | Personnel | District Vehicle Usage | Yes | Human Resources | | | | | | | |
| 38 | 3151 | Personnel | Personal Vehicle Usage | | Human Resources | | | | | | | |
| 39 | 3160 | Personnel | HIPAA Compliance and Security Officer | Yes | Human Resources | | | | | | | |
| 40 | 3165 | Personnel | Tobacco Use | Yes | Human Resources | | | | | | | |
| 41 | 3170 | Personnel | Smoke Free Workplace | Yes | Human Resources | | | | | | | |
| 42 | 3175 | Personnel | Disciplinary Action or Terminations | Yes | Human Resources | | | | | | | |
| 43 | 3180 | Personnel | Nepotism-Employment of Relatives | Yes | Human Resources | | | | | | | |
| 44 | 3185 | Personnel | Confidentiality Regarding Resignations | Yes | Human Resources | | | | | | | |
| 45 | 3190 | Personnel | Internet, E-Mail, and Electronic Communication Ethics, Usage and Security | Yes | Information Technology | | | | | | | |
| N/A | 3191 | Personnel | Electronic Signature Policy | No | Information Technology | | | | | | | |
| 46 | 3195 | Personnel | Cellular Telephone Usage | Yes | Information Technology | | | | | | | |
| 47 | 3200 | Personnel | Grievance Procedures | Yes | Human Resources | | | | | | | |
| 48 | 3205 | Personnel | Substance Abuse (In Conformance with Department of Transportation Guidelines) | Yes | Human Resources | 12/6/2021 | 4/19/2022 | 4/19/2022 | 5/11/2022 | 5/11/2022 | 5/11/2022 | 22-016 |
| N/A | 3206 | Personnel | FMCSA Clearinghouse Registration | No | Human Resources | 12/6/2021 | 4/19/2022 | 4/19/2022 | 5/11/2022 | 5/11/2022 | 5/11/2022 | 22-016 |
| 50 | 3215 | Personnel | Personnel Action Form (PAF) | Yes | Human Resources | | | | | | | |
| 51 | 3220 | Personnel | Recruitment, Selection and Onboarding | Yes | Human Resources | | | | | | | |
| N/A | 3225 | Personnel | Employee Leave Donation Program and Policy | Yes | Human Resources | 2019 | 2019 | 2019 | 10/9/2019 | 10/9/2019 | 10/9/2019 | 2019-011 |
| N/A | 3230 | Personnel | Workers' Compensation | Yes | Human Resources | 5/9/2023 | 5/16/2023 | 5/16/2023 | 6/14/2023 | 6/14/2023 | 6/14/2023 | 2023-17 |
| N/A | 3231 | Personnel | Accommodations for Disability | No | Human Resources | 5/9/2023 | 5/16/2023 | 5/16/2023 | 6/14/2023 | 6/14/2023 | 6/14/2023 | 2023-17 |
| N/A | 3235 | Personnel | Military Leave | Yes | Human Resources | 6/14/2023 | 6/20 and 8/15/2023 | | | | | |
| N/A | 3240 | Personnel | Dress Code and Personal Standards | Yes | Human Resources | | | | | | | |
| N/A | 3245 | Personnel | Non-Solicitation | No | Human Resources | | | | | | | |
| N/A | 3250 | Personnel | Telecommuting | No | Human Resources | | | | | | | |
| N/A | 3255 | Personnel | Time off for School Activities | No | Human Resources | | | | | | | |
| N/A | 3260 | Personnel | Time off to Vote | No | Human Resources | | | | | | | |
| 1 | 4005 | Board of Directors | Basis of Authority | Yes | HR/Administration | | | | | | | |
| 2 | 4010 | Board of Directors | Members of the Board of Directors | Yes | HR/Administration | | | | | | | |
| 3 | 4015 | Board of Directors | Committees of the Board of Directors | Yes | HR/Administration | | | | | | | |
| 4 | 4020 | Board of Directors | Board President | Yes | HR/Administration | | | | | | | |

Priority Legend:
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Light Blue Highlight = Lowest Priority

**Policy Approval Tracking
BCVWD Policy Manual Project**

| Policy Number | New Policy Number | Section | Policy Name | Drafted by BCVWD Staff | Responsible Staff | Approved by Legal Counsel | Presented to Personnel Committee | Provisionally Approved by Personnel Committee | Presented to Board of Directors | Approved by Board of Directors | Adoption Date | Resolution Number |
|---------------|-------------------|--------------------|---|------------------------|--------------------------|------------------------------|----------------------------------|---|---------------------------------|----------------------------------|---------------|-------------------|
| 5 | 4025 | Board of Directors | Board Meetings | Yes | HR/Administration | Verbal Review during meeting | N/A | Directed to Full Board | 12/8/2021 | 12/8/2021 | 1/11/2023 | 2023-02 |
| 6 | 4030 | Board of Directors | Board Meeting Agendas | Yes | HR/Administration | | | | | | | |
| 7 | 4035 | Board of Directors | Board Meeting Conduct | Yes | HR/Administration | | | | | | | |
| 8 | 4040 | Board of Directors | Board Actions and Decisions | Yes | HR/Administration | | | | | | | |
| 9 | 4045 | Board of Directors | Attendance at Meetings | Yes | HR/Administration | | | | | | | |
| 10 | 4050 | Board of Directors | Minutes of Board Meetings | Yes | HR/Administration | | | | | | | |
| 11 | 4055 | Board of Directors | Rules of Order for Board and Committee Meetings | Yes | HR/Administration | | | | | | | |
| 12 | 4060 | Board of Directors | Training, Education and Conferences | Yes | HR/Administration | 6/30/2021 | N/A | Directed to Full Board | 7/14/2021 | 7/14/2021 | 7/14/2021 | 2021-12 |
| 13 & 16 | 4065 | Board of Directors | Remuneration, Director Per Diem Fees | Yes | HR/Administration | 6/30/2021 | N/A | Directed to Full Board | 7/14/2021 | Revisions Requested on 7/14/2021 | 7/14/2021 | 2021-12 |
| 14 | 4070 | Board of Directors | Payment of Expenses Incurred on District Business | Yes | HR/Administration | | | | | | | |
| 15 | 4075 | Board of Directors | Expenditure Reimbursement | Yes | HR/Administration | | | | | | | |
| 17 | 4080 | Board of Directors | Membership in Associations | Yes | HR/Administration | | | | | | | |
| 18 | 4085 | Board of Directors | Ethics Training | Yes | HR/Administration | | | | | | | |
| N/A | 4086 | Board of Directors | Anti-Harassment Training | No | HR/Administration | | | | | | | |
| 19 | 4090 | Board of Directors | Code of Ethics | Yes | HR/Administration | | | | | | | |
| 20 | 4095 | Board of Directors | Ethics Policy | Yes | HR/Administration | | | | | | | |
| N/A | 4100 | Board of Directors | Electronic Communications and Data Devices at Dais | Yes | HR/Administration | 6/28/2021 | N/A | Directed to Full Board | 7/14/2021 | 7/14/2021 | 7/14/2021 | 2021-11 |
| 1 | 5005 | Operations | Emergency Preparedness | Yes | Human Resources | | | | | | | |
| 2 | 5010 | Operations | Emergency Response Guideline for Hostile or Violent Incidents | Yes | Human Resources | 11/8/2022 | 11/15/2022 | 11/15/2022 | 12/14/2022 | 12/14/2022 | 12/14/2022 | 22-043 |
| 3 | 5015 | Operations | Computer and Business Continuity Security | Yes | Information Technology | | | | | | | |
| 4 | 5020 | Operations | Environmental Health and Safety Compliance Program | Yes | HR/Operations | | | | | | | |
| 5 | 5025 | Operations | Illness and Injury Prevention Program | Yes | HR/Operations | | | | | | | |
| 6 | 5030 | Operations | Budget Preparation | Yes | Finance | 11/8/2022 | 11/15/2022 | 11/15/2022 | 12/14/2022 | 12/14/2022 | 12/14/2022 | 22-043 |
| N/A | 5031 | Operations | User Fee Cost Recovery | Yes | Finance | ? | N/A | N/A | 12/14/2022 | 12/14/2022 | 12/14/2022 | 22-039 |
| 7 | 5035 | Operations | Fixed-Asset Accounting Control | Yes | Finance | | | | | | | |
| 8 | 5040 | Operations | Fixed-Asset Capitalization | Yes | Finance | | | | | | | |
| 9 | 5045 | Operations | Investment of District Funds | Yes | Finance | ? | N/A | N/A | 12/14/2022 | 12/14/2022 | 12/14/2022 | 22-042 |
| N/A | 5046 | Operations | Other Post-Employment Benefits Funding | Yes | Finance | 5/10/2022 | N/A | N/A | 5/11/2022 | 5/11/2022 | 5/11/2022 | 2022-14 |
| 10 | 5050 | Operations | Customer Payment Arrangements | Yes | Finance/Customer Service | | | | | | | |
| 11 | 5055 | Operations | Employment of Consultants and Professional Services | Yes | Finance/HR | | | | | | | |
| 12 | 5060 | Operations | Employment of Outside Contractors | Yes | Finance/Administration | | | | | | | |
| 13 | 5065 | Operations | Easement Abandonment | Yes | Administration | | | | | | | |
| 14 | 5066 | Operations | Easement Acceptance | No | Administration | | | | | | | |
| 15 | 5070 | Operations | Encroachment Permits | Yes | Administration | | | | | | | |
| 16 | 5075 | Operations | Credit Card Usage | Yes | Finance | | | | | | | |
| 17 | 5080 | Operations | Purchasing | Yes | Finance | | | | | | | |
| N/A | 5081 | Operations | Contract Review Policy | No | Finance/Administration | | | | | | | |
| 18 | 5085 | Operations | Disposal of Surplus Property or Equipment | Yes | Finance | | | | | | | |
| 19 | 5090 | Operations | Records Retention | Yes | Administration | 4/28/2023 | 4/18/2023 | 5/16/2023 | 6/14/2023 | 6/14/2023 | 6/14/2023 | 2023-17 |

Priority Legend:
Yellow Highlight = Highest Priority
Light Blue Highlight = Lowest Priority

**Policy Approval Tracking
BCVWD Policy Manual Project**

| Policy Number | New Policy Number | Section | Policy Name | Drafted by BCVWD Staff | Responsible Staff | Approved by Legal Counsel | Presented to Personnel Committee | Provisionally Approved by Personnel Committee | Presented to Board of Directors | Approved by Board of Directors | Adoption Date | Resolution Number |
|---------------|-------------------|------------------------|--|------------------------|------------------------|---------------------------|----------------------------------|---|---------------------------------|--------------------------------|---------------|-------------------|
| N/A | 5095 | Operations | District Residences and Facility Emergency Policy | Yes | HR/Administration | 7/21/2020 | 6/21/2021 | Requested edits, sent to Board for review | Requested Edits 10/13/2021 | 10/28/2021 | 10/28/2021 | 2021-19 |
| N/A | 5100 | Operations | Press Relations and Social Media | Yes | Administration | 1/11/2022 | 4/19/2022 | 4/19/2022 | 5/11/2022 | 5/11/2022 | 5/11/2022 | 2022-016 |
| 1 | 6005 | Miscellaneous | Purpose of Board Policies | Yes | Human Resources | | | | | | | |
| 2 | 6010 | Miscellaneous | Adoption, Amendment of Policies | Yes | Human Resources | | | | | | | |
| 3 | 6015 | Miscellaneous | Public Complaints | Yes | Human Resources | | | | | | | |
| 4 | 6020 | Miscellaneous | Claims Against the District | Yes | Human Resources | | | | | | | |
| 5 | 6025 | Miscellaneous | Public Records | Yes | HR/Administration | 4/28/2023 | 4/18/2023 | 5/16/2023 | 6/14/2023 | 6/14/2023 | 6/14/2023 | 2023-17 |
| 6 | 6030 | Miscellaneous | District Standards for the Furnishing of Materials | Yes | HR/Administration | | | | | | | |
| 7 | 6035 | Miscellaneous | Environmental Review Guidelines | Yes | Engineering | | | | | | | |
| 8 | 6040 | Miscellaneous | Annexation | No | Engineering | | | | | | | |
| 9 | 6045 | Miscellaneous | Construction Requirements | No | Engineering | | | | | | | |
| N/A | 7000 | Information Technology | Acceptable Use | Yes | Information Technology | | | | | | | |
| N/A | 7005 | Information Technology | Accessibility | Yes | Information Technology | | | | | | | |
| N/A | 7010 | Information Technology | Electronic Communications | Yes | Information Technology | | | | | | | |
| N/A | 7015 | Information Technology | Passwords | Yes | Information Technology | | | | | | | |
| N/A | 7020 | Information Technology | Remote Access/VPN | Yes | Information Technology | | | | | | | |
| N/A | 7025 | Information Technology | Datacenter Physical Security | Yes | Information Technology | | | | | | | |
| N/A | 7030 | Information Technology | Wireless Communications | Yes | Information Technology | | | | | | | |
| N/A | 7035 | Information Technology | Mobile Device Security | Yes | Information Technology | | | | | | | |
| N/A | 7040 | Information Technology | Internet Use | Yes | Information Technology | | | | | | | |
| N/A | 7045 | Information Technology | Information Systems Backup & Data Retention | Yes | Information Technology | | | | | | | |
| N/A | 7050 | Information Technology | Personally Identifiable Information | Yes | Information Technology | | | | | | | |
| N/A | 7055 | Information Technology | Drones Use | No | Information Technology | | | | | | | |
| N/A | 7060 | Information Technology | Security and Technology Access for Independent Contractors | No | Information Technology | | | | | | | |
| Definitions | | | | Additional Edits | Human Resources | 6/28/2021 | 7/19/2021 | 7/20/2021 | 10/13/2021 | 10/13/2021 | 10/13/2021 | 21-018 |
| Policy Manual | | | | Additional Edits | Human Resources | Separate Report | N/A | N/A-directed to Board | 3/9/2022 | 3/9/2022 | 3/9/2022 | 22-006 |

Priority Legend:
Yellow Highlight = Highest Priority
Light Blue Highlight = Lowest Priority



**Beaumont-Cherry Valley Water District
Personnel Committee Meeting
August 15, 2023**

Item 7

STAFF REPORT

TO: Personnel Committee
FROM: District Staff
SUBJECT: Health Insurance Premium Increases for 2024

Staff Recommendation

None. Information only.

Discussion

In July, CalPERS posted the health rates would be increasing an average of 10.95% overall, but that includes plans not offered by BCVWD.

Open enrollment takes place in September, and the new rates are effective January 1 of the new year.

In October, CalPERS has a conference where they usually have at least one session on health coverage and what they look at for the next year.

References

CalPERS presentation downloadable here:

https://www.calpers.ca.gov/docs/board-agendas/202306/pension/item-5a-attach-3_a.pdf?utm_source=newsletter&utm_medium=email&utm_content=Access%20the%20preliminary%20premiums%20%28PDF%29&utm_campaign=membernews-05-2023-1A

Attachments

1. Table of 2023 and 2024 costs
2. How CalPERS sets Health Premiums

Staff Report prepared by Lynda Kerney, Executive Assistant

Attachment 1**July Board of Administration Offsite****Proposed Regional 2024 Premiums Per Subscriber Per Month (PSPM)****One Risk Pool Three-Year Phase In with PPO Benefit Design Changes**

| Basic Plans | 2023 | | | 2024 | | | Percent Change |
|---|------------|------------|------------|------------|------------|------------|----------------|
| | Single | 2-Party | Family | Single | 2-Party | Family | |
| Basic Premiums - Region 1 | | | | | | | |
| Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tuolumne, Yolo and Yuba | | | | | | | |
| Anthem Blue Cross Select HMO | \$1,128.83 | \$2,257.66 | \$2,934.96 | \$1,138.86 | \$2,277.72 | \$2,961.04 | 0.89% |
| Anthem Blue Cross Traditional HMO | 1,210.71 | 2,421.42 | 3,147.85 | 1,339.70 | 2,679.40 | 3,483.22 | 10.65% |
| Anthem EPO Del Norte | 1,200.12 | 2,400.24 | 3,120.31 | 1,314.27 | 2,628.54 | 3,417.10 | 9.51% |
| Blue Shield Access+ HMO and EPO | 1,035.21 | 2,070.42 | 2,691.55 | 1,076.84 | 2,153.68 | 2,799.78 | 4.02% |
| Blue Shield Trio HMO | 888.94 | 1,777.88 | 2,311.24 | 946.84 | 1,893.68 | 2,461.78 | 6.51% |
| Kaiser Permanente | 913.74 | 1,827.48 | 2,375.72 | 1,021.41 | 2,042.82 | 2,655.67 | 11.78% |
| PERS Gold | 825.61 | 1,651.22 | 2,146.59 | 914.82 | 1,829.64 | 2,378.53 | 10.81% |
| PERS Platinum | 1,200.12 | 2,400.24 | 3,120.31 | 1,314.27 | 2,628.54 | 3,417.10 | 9.51% |
| UnitedHealthcare SignatureValue Alliance | 1,044.07 | 2,088.14 | 2,714.58 | 1,091.13 | 2,182.26 | 2,836.94 | 4.51% |
| UnitedHealthcare SignatureValue Harmony | N/A | N/A | N/A | 937.39 | 1,874.78 | 2,437.21 | N/A |
| Western Health Advantage HMO | 760.17 | 1,520.34 | 1,976.44 | 807.23 | 1,614.46 | 2,098.80 | 6.19% |
| Basic Premiums - Region 2 | | | | | | | |
| Fresno, Imperial, Inyo, Kern, Kings, Madera, Orange, San Diego, San Luis Obispo, Santa Barbara, Tulare and Ventura | | | | | | | |
| Anthem Blue Cross Select HMO | \$765.37 | \$1,530.74 | \$1,989.96 | \$807.71 | \$1,615.42 | \$2,100.05 | 5.53% |
| Anthem Blue Cross Traditional HMO | 935.12 | 1,870.24 | 2,431.31 | 1,034.38 | 2,068.76 | 2,689.39 | 10.61% |
| Blue Shield Access+ HMO and EPO | 842.61 | 1,685.22 | 2,190.79 | 869.14 | 1,738.28 | 2,259.76 | 3.15% |
| Blue Shield Trio HMO | 760.71 | 1,521.42 | 1,977.85 | 810.24 | 1,620.48 | 2,106.62 | 6.51% |
| Health Net Salud y Más | 698.91 | 1,397.82 | 1,817.17 | 684.77 | 1,369.54 | 1,780.40 | (2.02%) |
| Kaiser Permanente | 756.21 | 1,512.42 | 1,966.15 | 904.95 | 1,809.90 | 2,352.87 | 19.67% |
| PERS Gold | 695.93 | 1,391.86 | 1,809.42 | 799.44 | 1,598.88 | 2,078.54 | 14.87% |
| PERS Platinum | 1,014.80 | 2,029.60 | 2,638.48 | 1,151.50 | 2,303.00 | 2,993.90 | 13.47% |
| Sharp Performance Plus | 764.96 | 1,529.92 | 1,988.90 | 833.24 | 1,666.48 | 2,166.42 | 8.93% |
| UnitedHealthcare SignatureValue Alliance | 793.63 | 1,587.26 | 2,063.44 | 837.88 | 1,675.76 | 2,178.49 | 5.58% |
| UnitedHealthcare SignatureValue Harmony | 781.58 | 1,563.16 | 2,032.11 | 792.65 | 1,585.30 | 2,060.89 | 1.42% |
| Basic Premiums - Region 3 | | | | | | | |
| Los Angeles, Riverside and San Bernardino | | | | | | | |
| Anthem Blue Cross Select HMO | \$737.91 | \$1,475.82 | \$1,918.57 | \$841.13 | \$1,682.26 | \$2,186.94 | 13.99% |
| Anthem Blue Cross Traditional HMO | 942.73 | 1,885.46 | 2,451.10 | 1,012.67 | 2,025.34 | 2,632.94 | 7.42% |
| Blue Shield Access+ HMO | 738.29 | 1,476.58 | 1,919.55 | 756.65 | 1,513.30 | 1,967.29 | 2.49% |
| Blue Shield Trio HMO | 661.49 | 1,322.98 | 1,719.87 | 704.69 | 1,409.38 | 1,832.19 | 6.53% |
| Health Net Salud y Más | 606.34 | 1,212.68 | 1,576.48 | 630.13 | 1,260.26 | 1,638.34 | 3.92% |
| Kaiser Permanente | 754.64 | 1,509.28 | 1,962.06 | 865.41 | 1,730.82 | 2,250.07 | 14.68% |
| PERS Gold | 680.37 | 1,360.74 | 1,768.96 | 785.28 | 1,570.56 | 2,041.73 | 15.42% |
| PERS Platinum | 992.59 | 1,985.18 | 2,580.73 | 1,131.47 | 2,262.94 | 2,941.82 | 13.99% |
| UnitedHealthcare SignatureValue Alliance | 790.46 | 1,580.92 | 2,055.20 | 826.44 | 1,652.88 | 2,148.74 | 4.55% |
| UnitedHealthcare SignatureValue Harmony | 713.55 | 1,427.10 | 1,855.23 | 734.76 | 1,469.52 | 1,910.38 | 2.97% |
| Basic Premiums - Out of State | | | | | | | |
| Kaiser Permanente Out of State | \$1,155.43 | \$2,310.86 | \$3,004.12 | \$1,312.45 | \$2,624.90 | \$3,412.37 | 13.59% |
| PERS Platinum | 1,003.90 | 2,007.80 | 2,610.14 | 1,146.86 | 2,293.72 | 2,981.84 | 14.24% |

How CalPERS Sets Health Premiums

We set health premiums annually through our rate development process. We negotiate methodically with health carriers to achieve the most competitive premiums possible for our members and employers.

We compare each plan's premium proposal against actual cost and utilizations trends using data from our Health Care Decision Support System (data warehouse) to create baseline premium projections for each plan.

Find out how [Risk Mitigation for Basic Plans](#) affects health plan premiums.

Premium Development Timeline

September

Our health carriers submit proposals for changes to their existing health plans, service areas, benefit designs, and new plan products. The proposals include pricing, provider network and coverage, and benefit design information. Our Health Program team also prepares proposals that align with our [Strategic Plan \(PDF\)](#), promote improved health outcomes, and focus on preventive care.

November

We present the new plans, benefit designs, and service area proposals to the Pension & Health Benefits Committee (PHBC) for board approval. Approved Health Program Changes are brought forward into the rate development process.

February

We conduct the annual rate development process with health plans between February and July. Carriers provide claims data for us to analyze and compare with our own claims data. A standardized methodology for reporting costs and trends allows us to understand what's driving costs in each plan.

April

We present initial premiums along with cost trends and assumptions to the PHBC during closed session.

June

Preliminary premiums are provided to PHBC in open session and shared with stakeholders, members, and employers. They're also sent to the Legislature as required by state law.

July

The board approves final health premiums during open session. Adopted premiums take effect January 1.

Considerations

We examine the following when negotiating health premiums:

- Utilization trends, such as emergency room, hospital, and office visits
- Cost trends, such as the cost for services and pharmaceuticals
- Benefit design changes

Ultimately, health premiums must be affordable and sustainable for members and employers as stated in the [CalPERS Health Beliefs](#).

Our Health Program is governed by the Public Employees' Medical and Hospital Care Act (PEMHCA), which requires that health premiums reasonably reflect the cost of the benefits provided. PEMHCA also establishes contracting agencies' minimum health premium contributions based on annual adjustments in the Consumer Price Index-Urban. These unique protections benefit employers as well as members.

Risk Mitigation for Basic Plans

CalPERS uses a risk mitigation strategy to risk adjust premiums for the Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) Basic plans. This strategy is the result of a [year-long analysis \(PDF\)](#) and subsequent policy change designed to stabilize the Basic plan program.

Our HMO risk mitigation strategy prices plans based on the value of their benefit design and network, rather than the concentration of healthy or unhealthy lives in them. Plans then compete on cost and quality of care instead of relying on their ability to attract younger and healthier members.

Implementation of the risk mitigation strategy [impacts individual HMO Basic plan premiums \(PDF\)](#) based on benefits, network, and plan level risk score.

Our risk mitigation strategy prices PPO Basic plans based on the adjusted benefit and network differentials.

Medicare plans aren't included in our risk mitigation strategy.

Health Plan Risk Scores

To implement our risk mitigation strategy in the HMO plans, we engaged Milliman, an international actuarial and consulting firm, in the development of health plan risk scores based on the Milliman Advanced Risk Adjusters (MARA) prospective tool. MARA analyzes each member's medical and prescription drug claim history to produce risk scores that predict their risk of incurring future health care costs.

A risk score lower or higher than one means a member's medical costs are lower or higher than the average.

Here's how the risk score works:

| Risk Score of a Plan | Associated Frequency of Health Care Services Provided |
|----------------------|---|
| Greater than 1 | More Frequent than Average |

| Risk Score of a Plan | Associated Frequency of Health Care Services Provided |
|----------------------|---|
| Equal to 1 | Average |
| Less than 1 | Less Frequent than Average |

| Basic HMO Plan | 2023 Adjusted Risk Score |
|-----------------------------------|--------------------------|
| Anthem Blue Cross Select HMO | 0.9838 |
| Anthem Blue Cross Traditional HMO | 1.2121 |
| Blue Shield Access+ | 1.3275 |
| Blue Shield Trio | 0.9630 |
| Health Net Salud y Más | 0.7586 |
| Health Net SmartCare | 1.1627 |
| Kaiser | 0.9525 |
| Sharp Performance Plus | 0.8897 |
| UnitedHealthcare Alliance HMO | 1.0170 |

| Basic HMO Plan | 2023 Adjusted Risk Score |
|------------------------------|--------------------------|
| UnitedHealthcare Harmony HMO | 0.9418 |
| Western Health Advantage | 1.0800 |
| HMO Total | 1.0000 |

Health plans with a risk score greater than one have members with higher-than-average use of health care services. Plans with a risk score less than one have members with lower-than-average use of health care services.

2023 Risk Scores by HMO Basic Plan

Health plan 2023 risk scores are provided in the table below:

Development of Risk Adjusted Premiums

The following is a high-level example for risk mitigation. There are additional, more intricate steps involved that are outside the scope of this description.

Each plan's total premium consists of three component costs: Medical, Pharmacy, and Administrative Service Fees (ASF). ASFs are the operating costs associated with administering the plan and are set at the outset of the five-year contract with the plan.

Plan A has an unadjusted single-party premium of \$950 comprised of the following components:

| Medical | Pharmacy | ASFs |
|---------|----------|------|
| \$700 | \$200 | \$50 |

Plan A has an Adjusted Risk Score of 1.2, indicating members in this plan use health care services more than the average member, and its overall costs are higher than the value of the plan based on its network.

By portfolio rating Plan A, the premium will decrease to better align with the value of the plan and its network.

Let's follow the steps for portfolio rating Plan A:

| | | |
|---------------|--|---|
| Step 1 | Add medical and pharmacy components | <i>Medical + Pharmacy</i> $\$700 + \$200 = \$900$ |
| Step 2 | Divide the result from Step 1 by the Adjusted Risk Score | $\div \text{Adjusted Risk Score}$ $\$900 \div 1.2 = \750 |
| Step 3 | Add the ASFs to the result from Step 2 to arrive at the risk mitigated premium | $+ \text{ASFs}$ $\$750 + \$50 = \$800$ |

After risk mitigation, Plan A has a single-party premium of \$800.