

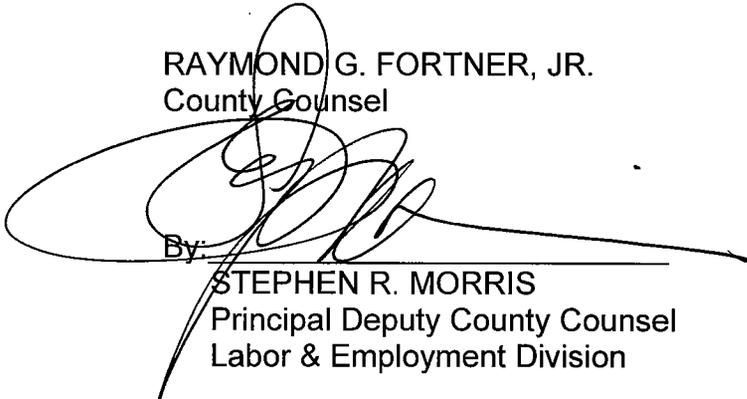
ANALYSIS

This ordinance amends Title 5 - Personnel, of the Los Angeles County

Code by:

- Increasing the minimum County contributions under both the Flexible Benefit and MegaFlex Plans; and
- Modifying the Short Term Disability ("STD") Plan for MegaFlex employees to increase the "core" income replacement benefit to 70% after a 14-day waiting period; and
- Reducing the existing eight STD options to one elective income replacement option to commence after a 7-day waiting period, consisting of a 21-day 100% income replacement and an 80% income replacement benefit thereafter. The new elective option is available to all MegaFlex employees and covers injuries or conditions which are not work related.

RAYMOND G. FORTNER, JR.
County Counsel

By: 

STEPHEN R. MORRIS
Principal Deputy County Counsel
Labor & Employment Division

SRM:mga

ORDINANCE NO. _____

An ordinance amending Title 5 - Personnel of the Los Angeles County Code, relating to the Flexible Benefit Plan and Nonpensionable Flexible Benefit Plan of Los Angeles County.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Section 5.27.040 (A) is hereby amended to read as follows:

5.27.040 Contributions.

A. Nonelective Contributions. Except as otherwise provided herein, each month the County shall contribute to the Plan on behalf of each Participant an amount equal to the greater of ~~\$591,626.00~~ \$26,000.00 or 10.0 percent of such Participant's Compensation for the preceding month beginning the ~~2005~~ 2006 Plan Year; provided, however, that no Nonelective Contribution shall be contributed for any Participant if he has not been in a pay status for at least eight hours during the prior month. Nonelective Contributions shall be reflected in County payroll warrants issued on or about the fifteenth day of the month following the month in which the requisite pay status was completed.

...

SECTION 2. Section 5.27.220 is hereby amended to read as follows:

5.27.220 Definitions.

. . .

U. “Nonindustrial” means an injury or disease that the chief administrative officer or the workers’ compensation appeals board has not yet determined to be compensable under the workers’ compensation laws of the state of California or an injury or disease which has been determined not to be so compensable.

U.V. “Nontaxable Benefit” means participation in any employee benefit program provided or sponsored by the County, insured or uninsured, now existing or hereafter adopted, for inclusion in the plan the cost of which is excludable from the gross income of the Participant pursuant to Sections 79, 105, 106, or 129 of the Code or any other applicable Code section, as the same may be amended.

U.W. “Participant” means any Eligible Employee or former Employee who meets the requirements for participation in the Plan set forth in Section 5.27.230.

U.X. “Physician” means any physician, surgeon, osteopath, psychiatrist, psychologist, chiropractor or other medical practitioner who is duly licensed by the state in which he practices and who is practicing within the scope of his license.

U.Y. “Plan” means the County of Los Angeles Flexible Benefit Plan, as set forth in this Subdivision 2, as the same may be amended or restated from time to time.

U.Z. “Plan Year” means the calendar year.

ZAA. "Retirement Plan A, B, C, or D Member" means an Eligible Employee or a Participant who is covered by any of the contributory retirement plans established for general or safety members of the Los Angeles County Employees Retirement Association pursuant to the County Employees Retirement Law of 1937. For the sole purpose of determining entitlement to Nonelective Contributions and Nontaxable Benefits and Taxable Benefits provided under the Plan, an Eligible Employee or Participant employed on a monthly temporary training "M" item basis pursuant to Title 6 of the Los Angeles County Code shall be treated as if he were a Retirement Plan A, B, C, or D Member. In no event shall such Eligible Employee or Participant be entitled to any benefit under the County Employees Retirement Law of 1937 by reason of this treatment.

AABB. "Retirement Plan E Member" means an Eligible Employee or a Participant who is covered by the optional noncontributory retirement plan made operative for general members of the Los Angeles County Employees Retirement Association on or after July 1, 1981.

BBCC. "SIB Compensation" means an SIB Participant's Compensation in the month preceding his death, or the commencement of benefits under the LTD Plan, whichever occurs first.

GGDD. "SIB Participant" means a Retirement Plan E Member who is:

1. A Participant who has elected coverage under the SIB Plan for the current Plan Year; or

2. A former Participant who is disabled and receiving benefits under the LTD Plan, and who elected coverage under the SIB Plan for the Plan Year in which his LTD benefits commenced.

DDEE. "Taxable Benefit" means participation in certain health or welfare programs provided or sponsored by the County, insured or uninsured, now existing or hereafter adopted, described in the Materials, the cost of which will be treated by the County as includible in the gross income of the Participant pursuant to the Code as the same may be amended.

EEFF. "Total Disability" or "Totally Disabled" means during the Waiting Period and during the subsequent 24-month period for which a Participant might be eligible to receive benefits under the LTD Plan, the complete and continuous inability and incapacity of the Participant to perform the duties of his position with the County. After the expiration of 24 consecutive months of eligibility for benefit payments, "Total Disability" or "Totally Disabled" means the Participant is Disabled within the meaning of the Federal Social Security Act and is eligible to receive or is receiving disability benefits under the Federal Social Security Act; provided, however, that for a participant who makes timely application for disability benefits under the Federal Social Security Act and who has not received a final determination regarding disability under the Act, "Total Disability" or "Totally Disabled" (for the period prior to the date on which a final determination is made regarding disability) shall mean the complete and continuous inability and incapacity of the Participant to perform the duties of his position with the County. A Participant who is not insured for disability benefits under the Federal Social Security Act (such as lacking sufficient quarters of covered employment) shall be

considered Totally Disabled at the end of the 24-month period of eligibility for benefit payments and during the continuance thereafter of the disability if he is disabled within the meaning of Section 223(d) of the Federal Social Security Act.

~~FFGG~~. 1. "Waiting Period" for purposes of the Short-Term Disability Plan means that a waiting period shall be required with respect to any one Disability, and that such period shall be a continuous period equal to ~~30~~14 days, except as reduced by elective option. The Waiting Period shall commence with the first day the Participant is Disabled, and shall continue during the time he remains Disabled.

2. "Waiting Period" for purposes of the Long-Term Disability Plan means that a waiting period shall be required with respect to any one Total Disability, and shall be a continuous period equal to six months, commencing with the first day on which an eligible employee is absent from work due to a total disability, and during which he or she remains totally disabled except as provided below. If the eligible employee ceases to be totally disabled and returns to work for less than an aggregate of 30 days during a waiting period, any such cessation of total disability shall not interrupt continuity or extend the duration of the waiting period used to determine the first day on which benefits commence, provided that the successive absences during the waiting period are due to the same cause. The waiting period shall not include any time prior to January 1, 1991.

3. The continuity of the Waiting Period shall not be interrupted, nor shall the Waiting Period be extended, merely because an Eligible Participant incurs a disability during such period that arises from a different and unrelated cause than that which initially caused the Eligible Participant to be absent from work.

4. The Election Information may establish rules under which an Eligible Participant may return to work on a trial basis during the Waiting Period without causing any interruption or extension of said period.

SECTION 3. Section 5.27.240 is hereby amended to read as follows:

5.27.240 Contributions.

A. Nonelective Contributions.

1. Except as otherwise provided herein, each month the County shall contribute to the Plan on behalf of each Participant an amount equal to the greater of \$~~810852~~852.00 beginning the ~~20056~~ Plan Year or the amount designated in subsection A1a or b below, whichever is applicable:

a. 14.5 percent of the Participant' s Compensation for the preceding month if the Participant is a Retirement Plan A, B, C, or D Member, and has completed less than five years of continuous service as of the commencement of the current Plan Year;

b. 17.0 percent of the Participant' s Compensation for the preceding month if the Participant is a Retirement Plan A, B, C, or D Member and has completed five or more years of continuous service as of the commencement of the current Plan Year, or if he is a Retirement Plan E Member; provided, however, that the percentage figures set forth in the following table shall apply in lieu of said 17.0 percent for any Participant, regardless of retirement plan, who has completed 10 or more years of continuous service as of January 1, 1991:

Continuous Service	Nonelective
As of January 1, 1991	Contribution
10 years	17.4%
11 years	17.8%
12 years	18.2%
13 years	18.6%
14 or more years	19.0%

2. In no event shall a Nonelective Contribution be made on behalf of any Participant who has not been in a pay status for at least eight hours during the prior month. Nonelective Contributions shall be reflected in County payroll warrants issued on or about the fifteenth day of the month following the month in which the requisite pay status was completed.

B. Elective Contributions.

Each Eligible Employee prior to commencing his participation in the Plan and each Participant prior to the beginning of a Plan Year may irrevocably elect to have an additional dollar amount contributed by the County during a Plan Year for each month that he participates in the Plan as an Elective Contribution, not to exceed his Eligible Earnings for such month, and to have his Eligible Earnings reduced each month by an amount equal to such Elective Contribution; provided, however, that no Elective Contributions shall be contributed for any Participant if he has not been in a pay status for at least eight hours during the prior month. Such Elective Contribution on behalf of a Participant each month shall be equal to the amount necessary to fund the Taxable

Benefits and/or Nontaxable Benefits chosen by such Participant pursuant to the election procedure set forth in Section 5.27.260 A after first applying the Nonelective Contribution for such month to the cost of such Taxable Benefits and/or Nontaxable Benefits. In the event of contractual renegotiation, change in method of funding, or substitution of a Taxable Benefit and/or Nontaxable Benefit during a Plan Year, the County, without prior notice to Participants, may automatically adjust the Elective Contributions made for and/or the Eligible Earnings paid to, Participants who have selected such Taxable Benefits and/or Nontaxable Benefits, in accordance with increases or decreases in the cost of the Taxable Benefits and/or Nontaxable Benefits.

SECTION 4. Section 5.27.380 is hereby amended to read as follows:

5.27.380 Purpose.

There is hereby established the County of Los Angeles Short-Term Disability Plan, hereinafter called the "STD Plan." The STD Plan is established for the purpose of providing a ~~Benefit under the Plan~~ Eligible Participants with income replacement benefits in the event the Participant incurs a Disability. With respect to Eligible Participants whose Disability qualifies them for workers' compensation benefits, the STD Plan is declared to be of the same general character as workers' compensation benefits.

SECTION 5. Section 5.27.390 is hereby amended to read as follows:

5.27.390 Election Core Coverage, Optional Benefits and benefit costs.

A. Nonelective Core Coverage. The STD Plan, ~~on a nonelective basis,~~ shall pay, after a ~~30~~14-calendar day Waiting Period, an Eligible Participant ~~a monthly an~~ income replacement benefit equal to the Eligible Participant's Compensation multiplied by ~~40~~ 70 percent.

B. ~~Elective-Coverage~~ Optional Benefit. Each Eligible Employee and each Participant may elect:

1. ~~To reduce the Waiting Period to 14 calendar days or seven calendar days; and/or~~

2. ~~a. To increase the monthly benefit to core coverage, payable after a 7-calendar day Waiting Period, in the event of and for the period that a Disability is Nonindustrial as follows:~~

1. ~~To an amount equal to the Participant's Compensation multiplied by 60 percent; or 100 percent for the first three weeks of the period during which STD Benefits are payable under this STD Plan; and~~

~~b2. Commencing with the Plan Year starting January 1, 2000, to increase the monthly benefit to~~ To an amount equal to the Participant's Compensation multiplied by 70 percent 80 percent for the balance of the period during which STD Benefits are payable under this STD Plan.

C. Cost. ~~Nonelective~~ Core STD coverage shall be provided at no cost to Participants. ~~Elective~~ The optional STD benefit shall require contributions from the affected Participants as provided for in the Election Information.

SECTION 6. Section 5.27.400 is hereby amended to read as follows:

5.27.400 Disability benefits.

A. Payment of Benefits. An Eligible Participant shall begin accruing the benefit determined under Section 5.27.390 on the first day following the expiration of the Waiting Period. Except as otherwise herein provided, such benefit shall be paid as long as the Eligible Participant's Disability continues, but in no event longer than 26 weeks from the first day of ~~d~~Disability.

B. Other Income Benefits.

1. The STD Plan Benefit payable to the Eligible Participant shall be reduced by other income benefits. "Other income benefits" are those benefits identified below to which the ~~e~~Eligible Participant is entitled. Such benefits, which may be payable either periodically or in a lump sum, are:

a. The amount of any benefit with respect to the same Disability and the same period for which the monthly benefit is payable under this STD Plan when such benefits are provided or payable:

(1) By any federal, state, county, municipal or other government agency;

(2) As temporary disability benefits under California workers' compensation laws;

- (3) Under any other workers' compensation law;
- (4) Under any employer's liability law; or
- (5) Under any third-party liability policy, less any

unreimbursed medical expenses awarded by a court and less reasonable expenses of collecting such amounts, including attorneys' fees.

b. The amount of any salary or other compensation, including sick leave, vacation, annual leave, or other pay the Eligible Participant receives from the County shall be coordinated with the STD benefit as specified in the Election Information.

2. Where other income benefits are received in the form of a lump-sum payment or payments, such benefits shall be coordinated with the benefits otherwise payable under this STD Plan in the manner set forth in the Election Information.

C. Termination of Benefits. No benefit shall be payable under this STD Plan if any of the following events occur:

1. The 26-week period, calculated from the first day of Disability, concludes;
2. The Eligible Participant ceases to be Disabled;
3. The Eligible Participant dies, retires, or terminates employment with the County;
4. The Eligible Participant engages in gainful self-employment or receives earned compensation from an employer other than the County, except as part of a rehabilitation program approved by the CAO;

5. The Eligible Participant fails to provide satisfactory Evidence of Disability, ceases to be under the care of a Physician, and/or is not receiving appropriate treatment for the Disability as defined by a recognized professional association established for the license type of the Physician;

6. The Eligible Participant refuses to accept an offer of County employment which is consistent with work restrictions imposed by the Claims Administrator or the CAO, and appropriate to his experience, training, and/or abilities;

D. Recurrent Disability. If an Eligible Participant returns to active County employment and is disabled again for the same cause within ~~14~~ 30 calendar days from the date of his return to ~~work~~ active employment, or within such other time period as may be specified in the Election Information, ~~disability-STD~~ benefit payments may be resumed without a new Waiting Period; provided, however, that nothing in this provision shall extend the payment of ~~disability~~ income replacement benefits for the original and any subsequent period(s) of ~~d~~Disability arising from the same cause beyond a total of 26 weeks from the first day of ~~d~~Disability. For purposes of this section, an Eligible Participant will be treated as having returned to active County employment, only if the Eligible Participant has resumed a normal working schedule at the County facility at which he is employed for the regularly scheduled working days during the 30 calendar days after his return to active employment.

SECTION 7. Section 5.28.040 (A) is hereby amended to read as follows:

5.28.040 Contributions.

A. Nonelective Contributions. Except as otherwise provided herein, each month the County shall contribute to the Plan on behalf of each Participant an amount equal to the greater of ~~\$594~~626.00 or 10.0 percent of such Participant' s Compensation for the preceding month beginning the 20056 Plan Year; provided, however, that no Nonelective Contribution shall be contributed for any Participant if he has not been in a pay status for at least eight hours during the prior month. Nonelective Contributions shall be reflected in County payroll warrants issued on or about the fifteenth day of the month following the month in which the requisite pay status was completed.

...

SECTION 8. Section 5.28.220 is hereby amended to read as follows:

5.28.220 Definitions.

...

U. "Nonindustrial" means any injury or disease that the director of personnel or the workers' compensation appeals board has not yet determined to be compensable under the workers' compensation laws of the state of California or an injury or disease which has been determined not to be so compensable.

U.V. "Nontaxable Benefit" means participation in any employee benefit program provided or sponsored by the County, insured or uninsured, now existing or hereafter

adopted, for inclusion in the plan the cost of which is excludible from the gross income of the Participant pursuant to Sections 79, 105, 106, or 129 of the Code or any other applicable Code section, as the same may be amended.

VW. "Participant" means any Eligible Employee or former Employee who meets the requirements for participation in the Plan set forth in Section 5.28.230.

WX. "Physician" means any physician, surgeon, osteopath, psychiatrist, psychologist, chiropractor or other medical practitioner who is duly licensed by the state in which he practices and who is practicing within the scope of his license.

XY. "Plan" means the County of Los Angeles Nonpensionable Flexible Benefit Plan, as set forth in this Subdivision 2, as the same may be amended or restated from time to time.

YZ. "Plan Year" means the calendar year.

ZAA. "Retirement Plan A, B, C, or D Member" means an Eligible Employee or a Participant who is covered by any of the contributory retirement plans established for general or safety members of the Los Angeles County Employees Retirement Association pursuant to the County Employees Retirement Law of 1937. For the sole purpose of determining entitlement to Nonelective Contributions and Nontaxable Benefits and Taxable Benefits provided under the Plan, an Eligible Employee or Participant employed on a monthly temporary training "M" item basis pursuant to Title 6 of the Los Angeles County Code shall be treated as if he were a Retirement Plan A, B, C, or D Member. In no event shall such Eligible Employee or Participant be entitled to any benefit under the County Employees Retirement Law of 1937 by reason of this treatment.

AABB "Retirement Plan E Member" means an Eligible Employee or a Participant who is covered by the optional noncontributory retirement plan made operative for general members of the Los Angeles County Employees Retirement Association on or after July 1, 1981.

BBCC. "SIB Compensation" means an SIB Participant's Compensation in the month preceding his death, or the commencement of benefits under the LTD Plan, whichever occurs first.

CCDD. "SIB Participant" means a Retirement Plan E Member who is:

1. A Participant who has elected coverage under the SIB Plan for the current Plan Year; or
2. A former Participant who is disabled and receiving benefits under the LTD Plan, and who elected coverage under the SIB Plan for the Plan Year in which his LTD benefits commenced.

DD EE. "Taxable Benefit" means participation in certain health or welfare programs provided or sponsored by the County, insured or uninsured, now existing or hereafter adopted, described in the Materials, the cost of which will be treated by the County as includible in the gross income of the Participant pursuant to the Code as the same may be amended.

EEFF. "Total Disability" or "Totally Disabled" means during the qualifying Waiting period, and during the subsequent 24-month period for which an employee Participant might be eligible to receive benefits under this the LTD Plan, means the complete and continuous inability and incapacity of the employee Participant to perform the duties of his or her position with the County. After the expiration of 24 consecutive

months of eligibility for benefit payments, ~~“total disability”~~ “Total Disability” or “Totally Disabled” means ~~that the employee Participant is d~~Disabled within the meaning of the Federal Social Security Act and is eligible to receive or is receiving disability benefits under the Federal Social Security Act; provided, Hhowever, ~~for an employee that for a Participant~~ who makes timely application for disability benefits under the Federal Social Security Act and who has not received a final determination regarding disability under that Act, ~~“T~~Total dDisabled” or “Totally Disabled” (for the period prior to the date on which a final determination is made regarding disability) shall mean the complete and continuous inability and incapacity of the ~~employee Participant~~ to perform the duties of his or her position with the County. ~~An employee~~A Participant who is not insured for disability benefits ~~(such as lacking sufficient quarters of covered employment)~~ under the Federal Social Security Act (such as lacking sufficient quarters of covered employment) shall be considered ~~t~~Totally dDisabled at the end of the 24-month period of eligibility for benefit payments and during the continuance thereafter of the disability if he or she is disabled within the meaning of Section 223(d) of the Federal Social Security Act.

FFGG. 1. “Waiting Period” for purposes of the Short-Term Disability Plan means that a waiting period shall be required with respect to any one Disability, and that such period shall be a continuous period equal to ~~30~~14 days, except as reduced by elective option. The Waiting Period shall commence with the first day the Participant is Disabled, and shall continue during the time he remains Disabled.

2. “Waiting Period” for purposes of the Long-Term Disability Plan means that a waiting period shall be required with respect to any one Total Disability, and shall be a continuous period equal to six months, commencing with the first day on

which an eligible employee is absent from work due to a total disability, and during which he or she remains totally disabled except as provided below. If the eligible employee ceases to be totally disabled and returns to work for less than an aggregate of 30 days during a waiting period, any such cessation of total disability shall not interrupt continuity or extend the duration of the waiting period used to determine the first day on which benefits commence, provided that the successive absences during the waiting period are due to the same cause. The waiting period shall not include any time prior to January 1, 1991.

3. The continuity of the Waiting Period shall not be interrupted, nor shall the Waiting Period be extended, merely because an Eligible Participant incurs a disability during such period that arises from a different and unrelated cause than that which initially caused the Eligible Participant to be absent from work.

4. The Election Information may establish rules under which an Eligible Participant may return to work on a trial basis during the Waiting Period without causing any interruption or extension of said period.

SECTION 9. Section 5.28.240 is hereby amended to read as follows:

5.28.240 Contributions.

A. Nonelective Contributions.

1. Except as otherwise provided herein, each month the County shall contribute to the Plan on behalf of each Participant an amount equal to the greater of \$~~810~~852.00 beginning the ~~2005~~6 Plan Year or the amount designated in subsection A1a or b below, whichever is applicable:

a. 14.5 percent of the Participant's Compensation for the preceding month if the Participant is a Retirement Plan A, B, C, or D Member, and has completed less than five years of continuous service as of the commencement of the current Plan Year;

b. 17.0 percent of the Participant's Compensation for the preceding month if the Participant is a Retirement Plan A, B, C, or D Member and has completed five or more years of continuous service as of the commencement of the current Plan Year, or if he is a Retirement Plan E Member; provided, however, that the percentage figures set forth in the following table shall apply in lieu of said 17.0 percent for any Participant, regardless of retirement plan, who has completed 10 or more years of continuous service as of January 1, 1991:

Continuous Service	Nonelective
As of January 1, 1991	Contribution
10 years	17.4%
11 years	17.8%
12 years	18.2%
13 years	18.6%
14 years or more	19.0%

2. In no event shall a Nonelective Contribution be made on behalf of any Participant who has not been in a pay status for at least eight hours during the prior month. Nonelective Contributions shall be reflected in County payroll warrants issued on

or about the fifteenth day of the month following the month in which the requisite pay status was completed.

B. Elective Contributions.

Each Eligible Employee prior to commencing his participation in the Plan and each Participant prior to the beginning of a Plan Year may irrevocably elect to have an additional dollar amount contributed by the County during a Plan Year for each month that he participates in the Plan as an Elective Contribution, not to exceed his Eligible Earnings for such month, and to have his Eligible Earnings reduced each month by an amount equal to such Elective Contribution; provided, however, that no Elective Contributions shall be contributed for any Participant if he has not been in a pay status for at least eight hours during the prior month. Such Elective Contribution on behalf of a Participant each month shall be equal to the amount necessary to fund the Taxable Benefits and/or Nontaxable Benefits chosen by such Participant pursuant to the election procedure set forth in Section 5.28.260 A after first applying the Nonelective Contribution for such month to the cost of such Taxable Benefits and/or Nontaxable Benefits. In the event of contractual renegotiation, change in method of funding, or substitution of a Taxable Benefit and/or Nontaxable Benefit during a Plan Year, the County, without prior notice to Participants, may automatically adjust the Elective Contributions made for and/or the Eligible Earnings paid to, Participants who have selected such Taxable Benefits and/or Nontaxable Benefits, in accordance with increases or decreases in the cost of the Taxable Benefits and/or Nontaxable Benefits.

SECTION 10. Section 5.28.380 is hereby amended to read as follows:

5.28.380 Purpose.

There is hereby established the County of Los Angeles Short-Term Disability Plan, hereinafter called the "STD Plan." The STD Plan is established for the purpose of providing a ~~Benefit under the Plan~~Eligible Participants with income replacement benefits in the event the Participant incurs a Disability. With respect to Eligible Participants whose Disability qualifies them for workers' compensation benefits, the STD Plan is declared to be of the same general character as workers' compensation benefits.

SECTION 11. Section 5.28.390 is hereby amended to read as follows:

5.28.390 Election Core Coverage, Optional Benefits and benefit costs.

A. ~~Nonelective~~ Core Coverage. The STD Plan, ~~on a nonelective basis,~~ shall pay, after a ~~30~~14-calendar day Waiting Period, an Eligible Participant ~~a monthly an~~ income replacement benefit equal to the Eligible Participant's Compensation multiplied by ~~40-70~~ percent.

B. ~~Elective Coverage~~ Optional Benefit. Each Eligible Employee and each Participant may elect:

1. ~~To reduce the Waiting Period to 14 calendar days or seven calendar days; and/or~~

~~2. a. To increase the monthly benefit to core coverage, payable after a 7-calendar day Waiting Period, in the event of and for the period that a Disability is~~ Nonindustrial as follows:

1. To an amount equal to the Participant's Compensation multiplied by 60 percent; or 100 percent for the first three weeks of the period during which STD Benefits are payable under this STD Plan; and

~~b2. Commencing with the Plan Year starting January 1, 2000, to increase the monthly benefit to~~ To an amount equal to the Participant's Compensation multiplied by 70 percent 80 percent for the balance of the period during which STD Benefits are payable under this STD Plan.

C. Cost. ~~Nonelective~~ Core STD coverage shall be provided at no cost to Participants. ~~Elective~~ The Optional STD coverage benefit shall require contributions from the affected Participants as provided for in the Election Information.

SECTION 12. Section 5.28.400 is hereby amended to read as follows:

5.28.400 Disability benefits.

A. Payment of Benefits. An Eligible Participant shall begin accruing the benefit determined under Section 5.28.390 on the first day following the expiration of the Waiting Period. Except as otherwise herein provided, such benefit shall be paid as long as the Eligible Participant's Disability continues, but in no event longer than 26 weeks from the first day of ~~d~~Disability.

B. Other Income Benefits.

1. The STD Plan Benefit payable to the Eligible Participant shall be reduced by other income benefits. "Other income benefits" are those benefits identified below to which the ~~e~~Eligible Participant is entitled. Such benefits, which may be payable either periodically or in a lump sum, are:

a. The amount of any benefit with respect to the same Disability and the same period for which the monthly benefit is payable under this STD Plan when such benefits are provided or payable:

(1) By any federal, state, county, municipal or other government agency;

(2) As temporary disability benefits under California workers' compensation laws;

(3) Under any other workers' compensation law;

(4) Under any employer's liability law; or

(5) Under any third-party liability policy, less any unreimbursed medical expenses awarded by a court and less reasonable expenses of collecting such amounts, including attorneys' fees.

b. The amount of any salary or other compensation, including sick leave, vacation, annual leave, or other pay the Eligible Participant receives from the County shall be coordinated with the STD benefit as specified in the Election Information.

2. Where other income benefits are received in the form of a lump-sum payment or payments, such benefits shall be coordinated with the benefits otherwise payable under this STD Plan in the manner set forth in the Election Information.

C. Termination of Benefits. No benefit shall be payable under this STD Plan if any of the following events occur:

1. The 26-week period, calculated from the first day of Disability, concludes;
2. The Eligible Participant ceases to be Disabled;
3. The Eligible Participant dies, retires, or terminates employment with the County;
4. The Eligible Participant engages in gainful self-employment or receives earned compensation from an employer other than the County, except as part of a rehabilitation program approved by the CAO;
5. The Eligible Participant fails to provide satisfactory Evidence of Disability, ceases to be under the care of a Physician, and/or is not receiving appropriate treatment for the Disability as defined by a recognized professional association established for the license type of the Physician;
6. The Eligible Participant refuses to accept an offer of County employment which is consistent with work restrictions imposed by the Claims Administrator or the CAO, and appropriate to his experience, training, and/or abilities;

D. Recurrent Disability. If an Eligible Participant returns to active County employment and is disabled again for the same cause within 44 30 calendar days from the date of his return to ~~work~~ active employment, or within such other time period as may be specified in the Election Information, ~~disability-STD~~ benefit payments may be resumed without a new Waiting Period; provided, however, that nothing in this provision shall extend the payment of ~~disability~~ income replacement benefits for the original and any subsequent period(s) of ~~d~~Disability arising from the same cause beyond a total of

26 weeks from the first day of dDisability. For purposes of this section, an Eligible Participant will be treated as having returned to active County employment, only if the Eligible Participant has resumed a normal working schedule at the County facility at which he is employed for the regularly scheduled working days during the 30 calendar days after his return to active employment.

SECTION 13. Pursuant to Government Code Section 25123(f), this ordinance shall take effect immediately. If this ordinance becomes effective prior to December 1, 2005, the provisions of Section 1 and 7 shall be construed and applied as if they were effective and operative on and after December 1, 2005. The provisions of Sections 2, 3, 4, 5 ,6, 8, 9, 10, 11, and 12 shall be effective and operative on and after January 1, 2006.

[STDPlanLTCCOC]