

November 01, 2022

MOTION BY SUPERVISOR HOLLY J. MITCHELL

Employee Health Plans for The Los Angeles County Development Authority for Calendar Year 2023

The Los Angeles County Development Authority (LACDA) currently provides employees with medical plan options that include Blue Shield Health Maintenance Organization (HMO), Blue Shield Preferred Provider Organization (PPO), and Kaiser Health. LACDA participates in a Joint Powers Agreement known as PRISM Health to obtain the most favorable plan rates and has negotiated renewals for all of these plans for Calendar Year 2023.

To help employees pay for medical insurance coverage, LACDA provides an employer-paid medical subsidy. This amount, projected at a cost not to exceed \$1,600,000 (of the \$10,252,406 projected total premium cost), combined with the amount contributed by each employee, will fund the premiums for medical insurance.

LACDA will absorb an overall 9% premium cost increase for Calendar Year 2023. The increase to the employee portion of the premiums will be offset with an increase to flexible benefit dollars. The annual budget process for Fiscal Year 2023-2024 will include funding for the remainder of the calendar year cost.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Authorize the Executive Director of the Los Angeles County Development Authority (LACDA) or his designee to approve renewal plans with PRISM Health, a Joint Powers

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Agreement, to continue to provide Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) group medical plans by Blue Shield, and to execute a continuing contract with Kaiser Health Plan, to be effective January 1, 2023.

2. Approve the employer-paid medical subsidy for the 2023 calendar year to Blue Shield HMO and PPO, and Kaiser Health Plan, at an estimated cost not to exceed \$1,600,000.
3. Authorize the Executive Director of LACDA or his designee to fund all Calendar Year 2023 health plan costs using funds included in the approved Fiscal Year 2022-23 budget and funds to be approved through the annual budget process for Fiscal Year 2023-24, including increasing the flexible benefit plan dollars as needed to offset any increases to the employee portion of the health plan premiums for Calendar Year 2023.
4. Authorize the Executive Director of LACDA or his designee to execute any amendments to the continuing contracts with Blue Shield HMO and PPO, and Kaiser Health Plan as needed to effectuate the employee health plan changes for Calendar Year 2023.

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