



**L.A. Care**  
HEALTH PLAN<sup>®</sup>

For All of L.A.

# BOARD OF GOVERNORS

## Executive Committee Meeting

November 15, 2023 • 2:00 PM

L.A. Care Health Plan

1055 W. 7<sup>th</sup> Street, Los Angeles, CA 90017



**AGENDA**  
**Executive Committee Meeting**  
**Board of Governors**

**DRAFT**

Wednesday, November 15, 2023, 2:00 P.M.  
L.A. Care Health Plan, 1055 West 7<sup>th</sup> Street, Conference Room 100, 1<sup>st</sup> Floor  
Los Angeles, CA 90017

Members of the Committee, staff and the public can attend the meeting in person at the address listed above. Public comment can be made live and in person at the meeting. A form will be available at the meeting to submit public comment.

**To listen to the meeting via videoconference please register by using the link below:**

<https://lacare.webex.com/lacare/j.php?MTID=m029fd513a74225aaf7ca1986127bb3c5>

**To listen to the meeting via teleconference please dial: +1-213-306-3065**

**Meeting Number: 2483 096 9508 Password: lacare**

For those not attending the meeting in person, public comments on Agenda items can be submitted in writing by e-mail to BoardServices@lacare.org, or by sending a text or voicemail to (213) 628-6420. Attendees who log on to lacare.webex using the URL above will be able to use “chat” during the meeting for public comment. You must be logged into WebEx to use the “chat” feature. The log in information is at the top of the meeting Agenda. The chat function will be available during the meeting so public comments can be made live and direct.

1. The “chat” will be available during the public comment periods before each item.
2. To use the “chat” during public comment periods, look at the bottom right of your screen for the icon that has the word, “chat” on it.
3. Click on the chat icon. It will open two small windows.
4. Select “Everyone” in the “To:” window,
5. The chat message must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates.
6. Type your public comment in the box that says “Enter chat message here”.
7. When you hit the enter key, your message is sent and everyone can see it.
8. L.A. Care staff will read the chat messages for up to three minutes during public comment so people who are on the phone can hear the comment.

You can also send your public comments by voicemail, email or text. If we receive your comments by 2:00 P.M. on November 15, 2023, it will be provided to the members of the Executive Committee in writing at the beginning of the meeting. The chat message, text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must include the name of the item to which your comment relates.

Once the meeting has started, public comment submitted in writing must be received before the agenda item is called by the Chair. If your public comment is not related to any of the agenda item topics, it will be read in the general public comment agenda item.

Please note that there may be delay in the digital transmittal of emails, texts and voicemail. The Chair will announce when public comment period is over for each item. If your public comments are not received on time for the specific agenda item you want to address, your public comments will be read at the public comment section prior to the board going to closed session.

The purpose of public comment is an opportunity for members of the public to inform the governing body about their views. The Executive Committee appreciates hearing the input as it considers the business on the Agenda. All public comments submitted will be read for up to 3 minutes during the

meeting. The process for public comment is evolving and may change at future meetings. We thank you for your patience.

All votes in a teleconferenced meeting shall be conducted by roll call.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (ADA) please contact L.A. Care Board Services staff prior to the meeting for assistance by text to 213 628-6420 or by email to BoardServices@lacare.org.

**Welcome**

Alvaro Ballesteros, MBA  
*Chair*

1. Approve today's Agenda *Chair*
2. Public Comment (*Please read instructions above.*) *Chair*
3. Approve October 25, 2023 meeting minutes **p.5** *Chair*
4. Chairperson's Report *Chair*
  - Nomination of Charitable Organization for Board Stipend
5. Chief Executive Officer Report
  - Government Affairs Update

John Baackes  
*Chief Executive Officer*  
Cherie Compartore  
*Senior Directors, Government Affairs*

**Committee Issues**

6. Employee Annual Incentive Program FY 2022-23 (**EXE 100**) **p.20** Terry Brown  
*Chief Human Resources Officer*
7. Human Resources Policies HR-108 (Holidays), HR-114 (Paid Time Off) and HR-125 (Sick Leave For Per Diem, Part-Time, And Non-Regular Employees) (**EXE A**) **p.21** Terry Brown
8. Approve the list of items that will be considered on a Consent Agenda for December 7, 2023 Board of Governors Meeting. *Chair*
  - November 2, 2023 Board of Governors Meeting Minutes
  - Quarterly Investment Reports
  - Annual Review of Accounting and Finance Policies AFS-002 (Capital Assets), AFS-027 (Travel Expenses), and AFS-029 (Annual Budgets and Board of Governors Oversight)
  - ~~Resources Connection, LLC dba Resources Global Professionals Contract Amendment~~
  - InfoCrossing Contract Amendment to support regulatory enrollment requirements
  - Infosys, Ltd. Contract Amendment to provide Quality Assurance services
  - Kiriworks (i3/Hyland) Contract to provide Appeals & Grievances solution platform
  - ~~SAP America, Inc. Contract to provide SAP High Performance Analytic Appliance (HANA) Cloud Services~~
  - North Star Alliances, LLC Contract to provide event planning, logistics, staffing and execution services and community relations support
  - Ratify the selection by RCAC members of new and continuing members of the Temporary Transitional Executive Community Advisory Committee (TTECAC)

- Ratify the elected Chairperson and Vice Chairperson of the Temporary Transitional Executive Community Advisory Committee
- Ratify the elected Chairperson and Vice Chairperson of the Technical Advisory Committee

9. Public Comment on Closed Session Items *(Please read instructions above.)*

*Chair*

**ADJOURN TO CLOSED SESSION (Est. time: 60 mins.)**

*Chair*

10. REPORT INVOLVING TRADE SECRET

Pursuant to Welfare and Institutions Code Section 14087.38(n)  
Discussion Concerning New Service, Program, Technology, Business Plan  
Estimated date of public disclosure: *November 2025*

11. CONTRACT RATES

Pursuant to Welfare and Institutions Code Section 14087.38(m)

- Plan Partner Rates
- Provider Rates
- DHCS Rates

12. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act:  
Three Potential Cases

13. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act

- Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680
- Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF

**RECONVENE IN OPEN SESSION**

**ADJOURNMENT**

*Chair*

**There is no Executive Committee meeting in December 2023.**

**The next Executive Committee meeting is scheduled on Wednesday, January 24, 2024 at 1200 p.m. and may be conducted as a teleconference meeting.**

The order of items appearing on the agenda may change during the meeting.

THE PUBLIC MAY SUBMIT COMMENTS TO THE EXECUTIVE COMMITTEE BEFORE DISCUSSION OF EACH ITEM LISTED ON THE AGENDA BY SUBMITTING THE COMMENT IN WRITING BY TEXT MESSAGE TO 213 628 6420, OR IN WRITING BY EMAIL TO [BoardServices@lacare.org](mailto:BoardServices@lacare.org). Please follow additional instructions on the first page of this Agenda.

ACTION MAY NOT BE TAKEN ON ANY MATTER RAISED DURING THE PUBLIC COMMENT PERIODS UNTIL THE MATTER IS SPECIFICALLY LISTED ON A FUTURE AGENDA, according to California Govt Code Section 54954.2 (a)(3) and Section 54954.3.

NOTE: THE EXECUTIVE COMMITTEE CURRENTLY MEETS ON THE FOURTH TUESDAY OF MOST MONTHS AT 2:00 P.M. AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION AT <http://www.lacare.org/about-us/public-meetings/board-meetings> and by email request to [BoardServices@lacare.org](mailto:BoardServices@lacare.org)

Any documents distributed to a majority of the Board Members regarding any agenda item for an open session after the agenda has been posted will be available for public inspection at 1055 W. 7<sup>th</sup> Street, Los Angeles, CA, in the reception area in the main lobby or at <http://www.lacare.org/about-us/public-meetings/board-meetings> and can be requested by email to [BoardServices@lacare.org](mailto:BoardServices@lacare.org).

An audio recording of the meeting is made to assist in writing the minutes and is retained for 30 days.

Meetings are accessible to people with disabilities. Individuals who may require any accommodations (alternative formats - i.e., large print, audio, translation of meeting materials, interpretation, etc.) to participate in this meeting and wish to request an alternative format for the agenda, meeting notice, and meeting packet may contact L.A. Care's Board Services Department at (213) 628 6420. Notification at least one week before the meeting will enable us to make reasonable arrangements to ensure accessibility to the meetings and to the related materials.

# BOARD OF GOVERNORS

## Executive Committee

### Meeting Minutes – October 25, 2023

1055 West 7<sup>th</sup> Street, 10<sup>th</sup> Floor, Los Angeles, CA 90017



**L.A. Care**  
HEALTH PLAN

#### Members

Al Ballesteros, *Chairperson*  
 Ilan Shapiro MD, MBA, FAAP, FACHE, *Vice Chairperson*  
 Stephanie Booth, MD, *Treasurer*  
 John G. Raffoul, *Secretary\**

\* *Absent*

\*\* *Via Teleconference*

#### Management/Staff

John Baackes, *Chief Executive Officer*  
 Sameer Amin, MD, *Chief Medical Officer*  
 Terry Brown, *Chief of Human Resources*  
 Todd Gower, *Interim Chief Compliance Officer*  
 Linda Greenfeld, *Chief Product Officer*  
 Augustavia Haydel, *General Counsel*  
 Tom MacDougall, *Chief Technology & Information Officer*  
 Noah Paley, *Chief of Staff*  
 Acacia Reed, *Chief Operating Officer*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	<p>Alvaro Ballesteros, MBA, <i>Chairperson</i>, called to order the regular meetings of the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee regular meetings at 2:02 p.m. The meetings were held simultaneously. He welcomed everyone to the meetings.</p> <ul style="list-style-type: none"> <li>• For those who provided public comment for this meeting by voice message or in writing, L.A. Care is glad that they provided input today. The Committee will hear their comments and the Committee also needs to finish the business on the Agenda today.</li> <li>• For people who have access to the internet, the meeting materials are available at the lacare.org website. If anyone needs information about how to locate the meeting materials, they can reach out to L.A. Care staff.</li> <li>• Information for public comment is on the Agenda available on the web site. Staff will read the comment received in writing from each person for up to three minutes.</li> <li>• Public comment will be heard before the Committee discusses an item. If the comment is not on a specific agenda item, it will be read at the general Public Comment.</li> </ul> <p>He provided information on how to submit a comment in-person, or using the “chat” feature.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>APPROVE MEETING AGENDA</b>	The Agenda for today’s meeting was approved.	<b>Approved unanimously. 3 AYES (Ballesteros, Booth and Shapiro)</b>
<b>PUBLIC COMMENT</b>	There were no public comments.	
<b>APPROVE MEETING MINUTES</b>	The minutes of the September 27, 2023 meeting were approved as submitted.	<b>Approved unanimously. 3 AYES</b>
<b>CHAIRPERSON’S REPORT</b>	There was no report from the Chairperson.	
<b>CHIEF EXECUTIVE OFFICER REPORT</b>	<p>John Baackes, <i>Chief Executive Officer</i>, reported there are four months of data for the redetermination process and L.A. Care has a net loss of about a 100,000 Medi-Cal members. Over 200,000 did not make it through the process. Of those, some were determined to be no longer eligible and a vast majority are people that have not returned the redetermination package. L.A. Care added 132,000 Medi-Cal members in four months. If we were to project this forward for the remainder of the process, L.A. Care would lose about 300,000 lives, which would be slightly less than forecast. All of the health plans in California are reporting significant new enrollment. L.A. Care has enrolled a number of people eligible for L.A. Care Covered. L.A. Care Covered has 133,000 paid members with about 20,000 in the queue. Not all of the new enrollment will become members; people have 60 days to decide to accept the enrollment. Any premium due must be paid within 60 days. About half of the people who have enrolled will not have to pay any premium because the federal and state subsidies will cover the premium. Those members will need to pay the co-payments and the deductible for health care services. From an enrollment standpoint, L.A. Care is in good shape so far.</p> <p>In January 2024, several things will happen in Medi-Cal.</p> <ul style="list-style-type: none"> <li>• L.A. Care will be severing the 275,000 Kaiser members, as Kaiser will have its own Medi-Cal contract. All of the preparation is moving very smoothly and work with Kaiser is ongoing to make that happen as easily as possible for members. There have been no glitches whatsoever. L.A. Care does not anticipate that this will have a significant financial impact because of the contract terms L.A. Care had with Kaiser.</li> </ul>	

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	<ul style="list-style-type: none"> <li>• Medi-Cal eligibility will be extended to undocumented residents between the ages of 26 and 49 as of January. 1, 2024. Many in this demographic are already partially covered by Medi-Cal and the transition will be seamless for them. Others who will become eligible will likely enroll within three or four months. A big challenge will be to match the primary care physician with the members who have federally qualified health centers (FQHC) as a primary provider under discounted programs or are using clinics at Los Angeles County Department of Health Services (DHS) sites through My Health LA. The member may be used to seeing a primary care physician, and L.A. Care will work to match them with that same physician, assuming the physician is in L.A. Care’s network. DHS physicians will be in L.A. Care’s network. The information provided to L.A. Care from California Department of Health Care Services (DHCS) will not include any previous primary care affiliation. It will be a lot of work. This group is expected to be more than 150,000 members.</li> <li>• The last event in January does not directly affect L.A. Care but it will crowd the environment L.A. Care is working in. Health Net will be assigning half of its 1.1 million lives to Molina Health. DHCS has not announced how that will happen. Notices should be sent in November to those members, and that will be during the ongoing redetermination process. A Medi-Cal member could receive a letter that informs them that as of January 1 the member will be enrolled with Molina. The next day the member could receive a redetermination package to continue eligibility for Medi-Cal. There could be some fallout from the resulting confusion among members.</li> <li>• At the November 2 Board meeting there may be more information about the rate development for 2024. The initial estimates were not good for L.A. Care or for any of the health plans. Many health plans are concerned, and a lot of pushback is expected in terms of the actuarial soundness of these rates.</li> </ul> <p>Chairperson Ballesteros noted that L.A. Care is seeing increases in enrollment of new members coming in. That is offsetting those that are dropping off. He asked if there is any sense of the new member demographics. Are there members that did not know about it, or recently qualified or maybe did not know about the benefit? Mr. Baackes responded that L.A. Care is researching this, and it appears they are coming in across all categories. It seems not to be a concentration of moms and kids or childless adults; it is across the board. People may also have moved their residence to Los Angeles County, or perhaps all of the awareness around the eligibility redetermination prompted</p>	

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	<p>enrollment. He reported at the October Board Meeting that L.A. Care has Certified enrollers at the Community Resource Centers to help people with the enrollment process, and many are new enrollees. He hears from health plans across California that there is significant new enrollment. Every plan is seeing new membership. Chairperson Ballesteros commented that it is great that they are coming in, but were these new members out there and they did not know they were eligible? That is a concern because we want folks to be able to get benefits for which they are eligible. Mr. Baackes noted that that anytime LA Care had open enrollment for Covered California, there would also be a spike in Medical enrollment, because people did not know they were eligible for Medi-Cal and had enrolled through Covered California.</p>	
<ul style="list-style-type: none"> <li>Government Affairs Update</li> </ul>	<p>Joanne Campbell, <i>Government Affairs</i>, reported:</p> <ul style="list-style-type: none"> <li>Congress had passed a continuing resolution for the federal budget, because federal legislators were unable to come to an agreement about the budget before the deadline. The deadline for the continuing resolution is November 17, 2023</li> <li>The Speaker of the House was removed in early October. Noah Paley, <i>Chief of Staff</i> noted that a new Speaker, Mike Johnson, was elected this morning. Staff will continue to update the Board on new developments.</li> <li>The most recent estimate for California state revenue was released last week. California has collected \$17.3 billion in taxes, far below the estimated \$44.9 billion projected. Last week, the IRS and California delayed the filing date for taxes until November 16. There are outstanding filings. It is unlikely that the extended deadline will significantly affect California’s tax revenue. This does not mean immediate cuts, California’s rainy-day fund including a specifically targeted health fund, are full and there are other funding mechanisms that could be utilized. The revenue shortfall will complicate negotiations for next year's budget.</li> </ul>	
<b>COMMITTEE ISSUES</b>		
<p>Presentation on Community Health Investment Fund (CHIF) Priorities for FY 2023-24</p>	<p>Shavonda Webber-Christmas, <i>Director, Community Benefits</i>, reviewed the priorities for the 2023-24 fiscal year.</p> <p>Overview:</p> <ul style="list-style-type: none"> <li>As of October 1, 2023, the CHIF Program has supported more than 979 projects for 190 unique community entities, and invested more than \$138 million in organizations caring for under-resourced communities.</li> </ul>	



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	<ul style="list-style-type: none"> <li>• CHIF awards improved clinic workforce and infrastructure, access to care and improved health outcomes for members and social determinants for under-resourced communities, all in an effort to strengthen the safety net of providers in Los Angeles County.</li> <li>• A motion will be presented on November 2 seeking Board approval to allocate the CHIF fund already approved in the current budget for \$10 million, across Community Benefits’ Grant Making Priorities for FY 2023-24</li> </ul> <p>The CHIF grants improve clinics, workforce, infrastructure and access to care, allowing organizations to pilot various programs for care coordination, improve health outcomes for our members, and advance solutions for social determinants of health to reduce inequities in under-resourced communities.</p> <p>Categories in which CHIF initiatives and ad hoc awards are allocated:</p> <ul style="list-style-type: none"> <li>• Support the health care safety net to improve infrastructure and address disparities</li> <li>• Advance solutions for social determinants of health to reduce inequities</li> <li>• Close pervasive health disparities gaps</li> <li>• Empower and invest in health and health related social service organizations that address systemic racism</li> </ul> <p>Ms. Webber-Christmas reviewed the grant making priorities in each category.</p> <p><b>Support the health care safety net to improve infrastructure and address disparities</b></p> <ul style="list-style-type: none"> <li>• Supports projects that address the infrastructure needs of safety net providers, including technological, personnel, and care coordination methods that enable healthcare providers to resolve broad structural and racial inequities in the health care system, and to ensure quality and equitable care and improve client outcomes.</li> <li>• Portfolio may be distributed through initiatives such as the Robert E. Tranquada, MD Safety Net Initiative, and community initiated ad hoc projects, including major healthcare investments.</li> <li>• Budget - \$4.45 million</li> <li>• Grants starting at \$100,000 each</li> </ul> <p><b>Advance solutions for social determinants of health to reduce inequities</b></p> <ul style="list-style-type: none"> <li>• Supports community based strategies and policy efforts to reduce health inequities associated with social determinants and improve health and wellbeing for</li> </ul>	

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	<p>marginalized community members. Projects affecting food and housing security, economic empowerment, and education are prioritized.</p> <ul style="list-style-type: none"> <li>• Portfolio may be distributed through initiatives such as a pilot Advancing Economic Mobility and community initiated ad hoc projects that improve areas related to social determinants of health.</li> <li>• Budget - \$2.8 million</li> <li>• Grants starting at \$125,000 each</li> </ul> <p><b>Close pervasive health disparities gaps</b></p> <ul style="list-style-type: none"> <li>• Uplifts projects that directly address health disparities among under resourced populations due to race or ethnicity, sex, gender identity, age, ability, socioeconomic status, geographic location, and especially coexistent or intersectional characteristics. L.A. Care will address opportunities revealed through analysis of available data.</li> <li>• Portfolio may be distributed through initiatives such as Generating African American Infant &amp; Nurturers’ Survival (GAAINS), and community initiated ad hoc grants aligned with reducing health disparities, including data surveillance.</li> <li>• Budget - \$1.5 million</li> <li>• Grants starting at \$125,000 each</li> </ul> <p><b>Empower and invest in health and health-related social service organizations that address systemic racism.</b></p> <ul style="list-style-type: none"> <li>• Supports trusted BIPOC-led and serving organizations that provide services to meet community health and social needs and address root causes of systemic injustices. Focuses on building infrastructure and capacity among agencies historically underfunded by philanthropy to resource community driven solutions to systemic racism.</li> <li>• Portfolio may be organized around initiatives, such as the Equity &amp; Resilience Initiative, and community initiated ad hoc grants aligned with eliminating systemic racism.</li> <li>• Budget - \$1.25 million</li> <li>• Grant average \$125,000 each</li> </ul> <p>In response to a question from Board Member Booth, <i>(the question was inaudible)</i> Ms. Webber Christmas responded that workforce partners are focused on health care and technology workforce sectors.</p>	

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	<p>Board Member Shapiro appreciates the information; this is important and creates hope, especially for organizations that have never had a grant, helping them in that process is extremely important. He stressed the importance of outcomes to learn from projects that may not have worked, but also the projects that can be replicated. It will be interesting, after all these projects have a year of operation, to see the results. Those stories are powerful and are untold, and need to be replicated. Ms. Webber-Christmas responded that a summary report is presented annually to the Board.</p> <p>Chairperson Ballesteros thanked her on behalf of the clinics; he hears good feedback about the CHIF program. He thanked Ms. Webber-Christmas for her hard work. Her reports provide important information for the Board. Ms. Webber-Christmas responded that it is a privilege to work with the Board and the opportunity is very much appreciated.</p> <p>Mr. Baackes noted that Ms. Webber Christmas has done a wonderful job. He reported that in a meeting with Mary Watanabe, <i>Director</i>, California Department of Managed Health Care (DMHC), and the CEOs of the Local Health Plans of California. There were concerns expressed about the DMHC imposing quality requirements on health plans. DMHC will be coming out with a set of quality metrics arranged around health disparities and health inequity. Ms. Watanabe commented that the state administration is asking for accountability, and raising the number of measures and the sanctions that go with them. Mr. Baackes responded that it seems accountability should go both ways. If health plans are going to work on moving improving quality and removing health disparities. Health plans will need the resources to do it; piling on more metrics and higher sanctions is not going to move the needle. Health plans do not have the resources to place providers in the communities that need them. He commented that all the health plans are doing the kinds of projects that the Committee just heard about. Health plans are using unassigned revenue to invest in the community to address the inequities that are leading to the low quality scores, and on which the administration is not taking action. The Director is not aware about good things the health plans are doing and Mr. Baackes will meet with her to review these community programs sponsored by the health plans. Mr. Baackes and Sameer Amin, MD, <i>Chief Medical Officer</i>, will inform her about the CHIF programs including Elevating the Safety Net, and Community Resource Centers. These programs are doing more to improve quality and access to care and remove disparities than the increasing number of quality measures on health plans, which come with financial sanctions on top of corrective action plans. He</p>	

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	<p>mentions this because it really struck him that DMHC is not measuring the quality improvement programs underway; it measures other transactional areas.</p> <p>Board Member Booth commended Mr. Baackes and expressed hope that the Director heard his words and was honest with him. She thanked Mr. Baackes.</p> <p>Dr. Amin commented that in addition to that, in conversations with some of the regulators, he raises the question, why keep ramping up penalties to remove money from the system when health plans could invest the money in the system. A quality withhold includes financial penalties on Managed Care Accountability Sets (MCAS) measures, the auto assignment of members is being adjusted based on the same quality metrics. These are detrimental to a health plan's ability to invest in the community. It just does not make sense. Ultimately, that money coming out of the community is not helping anything. The issues Mr. Baackes is talking about are exactly what we need To do to try to reinvest.</p> <p>Board Member Shapiro noted that one of the metrics that can be pointed out is that whenever people have clean water, affordable food, green spaces - safe spaces and people actually have a home, other metrics can be involved that promote positive things on behalf of the community.</p> <p>Dr. Amin responded that they apply metrics from other programs like Medicare, to a population that is very different, and some of it is coming from lack of understanding. If people do not have a roof over their head, do not have any green spaces and are in a violent area, it is hard to worry about Colonoscopy as the first and foremost thing. Getting folks settled so that they can think about health care and become part of the ecosystem is a positive first step. A lot of what L.A. Care is doing through Elevating the Safety Net is to strengthen the safety net of providers. L.A. Care is trying to reinvest into the community to address at least the basic issues. That is first. After that, we can make sure everyone who needs to, gets a colonoscopy.</p> <p>Mr. Baackes commented that in that conversation the Director described a two-year journey, as she put it, that she went through to come up with these quality measures. The issues are really coming from advocates who complain about a lack of progress on these measures related to child immunization and so forth. The advocates play a big role in promoting the quality measure. Some of the advocates are self-appointed and may not be advocates because they have been in the system and want to change it. They are self-appointed and driving this, and they get the ear of the regulators, get the</p>	

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	<p>ear of the media. Health plans have yet to figure out a way to work with the advocates, educate them and encourage advocacy based on real data and real life experience, rather than aspirational goals.</p> <p>Board Member Booth suggested this topic for a small group discussion among providers. She asked if it would be possible to urge the California Department of Health Care Services (DHCS) and DMHC to work together about their separate duties. Dr. Amin noted it would be great if DHCS and DMHC could articulate that separation. Mr. Baackes noted that around the particular issue where DMHC is getting into quality metrics and penalties, a question was posed to Ms. Watanabe if DMHC and DHCS communicate. Communication has also been an issue for L.A. Care between Covered California, DHCS and CalPERS. These are three entities that health plans have to deal with and each has set up different quality standards and measures and separate data collection and reporting from health plans. Health Plans have asked for alignment of the data collection and standards. There are opportunities for the bureaucratic structure in which health plans operate to consolidate and streamline reporting. Mr. Baackes will be asking for accountability by aligning the structure.</p> <p>Chairperson Ballesteros commented that the topic of metrics and sanctions has come up often. He noted that for 25-30% of the members assigned to providers, no contact information is provided when the member is assigned. A great deal of resources must be expended in locating and contacting newly assigned members. Those resources could be directed to the care of members who are engaged with the providers. It does not make sense to hold health plan or the provider accountable for patients delegated to them with no contact information, but this has not been reconciled.</p> <p>Dr. Amin commented that from a regulatory standpoint, the patients for which the plan or the provider have no contact information and no engagement with health care are considered healthy. Those 30-40% of members who do not see a provider are actually among the sickest and may have the most co-morbidity, and are choosing not to be part of the health care system. They have other concerns, possibly with social determinants of health that prevent engagement with health care providers. This is an area where regulators and government could help members by building a better infrastructure that provides for their social needs and draws them into the health care system.</p> <p>Chairperson Ballesteros agreed with Dr. Amin, but payments to clinics are affected by the inability to reach these patients. There may be ways to contact patients through other means such as housing programs. Regulators need to address this.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Dr. Amin noted that L.A. Care is creating infrastructure around field medicine and street medicine. L.A. Care noted that there were requirements without any infrastructure or any organization, and stepped in to build it. The LA Care Community Health team has been working with providers and a number of other entities to gather input, and a plan will be presented at the Board of Governors meeting on November 2. Mr. Baackes noted that L.A. Care also operates CRCs and those can be places people come for care without having to be contacted.</p> <p>Chairperson Ballesteros stated that the resource centers contain a wonderful opportunity.</p> <p>Mr. Baackes commented that Medicaid was created in 1965, and was to be operated by the states. The states were to do the claims and operate the systems. After about 20 or 30 years, almost 40 of the 50 states turned to managed care to operate the programs, because states found it was hard. Now the states do not have to be held responsible, but became a regulator and hold health plans responsible. It was a changing dynamic over the history of this program. He thinks that is worth noting. States have become more entrenched in the regulatory side than in the actual provision of care. Health plans bear the responsibility of providing care.</p> <p>Chairperson Ballesteros commented that the community is going to be thankful that DMHC is willing to have the conversation, because there is a perception that there is a wall blocking them from hearing the information.</p>	
<p>Housing &amp; Homelessness Incentive Program Investment agreement with United Way of Greater Los Angeles (UWGLA) <b>(EXE 100)</b></p>	<p>Dr. Amin commented that this motion dovetails nicely with the previous conversation around L.A. Care’s investments in the community to build infrastructure. He introduced Karl Calhoun, <i>Director, Housing Initiatives</i>, to present the motion.</p> <p>Mr. Calhoun stated that the Housing and Homelessness Incentive Program (HHIP) goals are to reduce and prevent homelessness, to provide access to L.A. Care members and to the greater Los Angeles County community, for those who are experiencing homelessness, to provide them access to the services they need to end their homelessness. All of that is dependent on the ability of the service community, largely community based organizations, to provide that support.</p> <p>L.A. Care has listed housing services, workforce development as a key priority initiative for HHIP. The workforce development aspect of homeless services is in dire need of support. This is in the investment plan with budget approval for \$3 to 4 million dollars focused on housing related workforce development.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>This motion presents the agreement to utilize that funding. Further support is in study from KPMG that projected in the next 3 to 5 years, there will be 31% shortfall in staff at organizations who provide homeless services in Los Angeles County. That equates to about 67 to 70 people doing the work of a 100 people. One can imagine what that will do to staff retention and to the quality of the services provided. L.A. Care’s efforts in many areas around homelessness experience obvious gaps. Homeless services workforce is a gap that is less obvious to many, but is equally as important as other gaps.</p> <p>In addressing the needs, staff recommends funding for United Way of Greater Los Angeles (UWGLA) through two primary initiatives, at \$1.75 million each. This investment addresses immediate needs; it addresses ways to prevent this problem from getting worse in the future.</p> <p>The first phase of the investment addresses the practical reality of staff leaving the housing service industry by funding up to \$500,000 for 15 different agencies to provide direct staff stipends to improve staff retention at those agencies. All of those agencies are contracted with L.A. Care. This phase of the investment will directly benefit L.A. Care members using services at those agencies. The Agency needs to be directly contracted with L.A. Care for housing related community supports or indirectly contracted with L.A. Care in a subcontracting relationship with Los Angeles County Department of Health Services (DHS) which is one of L.A. Care’s largest homeless service providers.</p> <p>The second initiative involves a leadership round table led by UWGLA to develop 2-4 pilot initiatives to address identify people in the homeless space who have lived experience and bring them into the industry to benefit from their knowledge of the struggles of those experiencing homelessness. It will also identify newer generations that can work in this industry, particularly Transitional Age Youth program (TAY) individuals, because they bring lived experience and knowledge of homelessness issues. The initiative will support work to develop ways that may target that community. It will also develop pilot programs that create a career track within the homeless service community that is much more tangible and obtainable then what is available now. L.A. Care will have a seat at the round table, and will be shaping these pilot programs and the policies that the round table recommends.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>In order to align with HHIP goals and to help meet HHIP metrics and thus draw down funds, L.A. Care staff requests approval to execute a contract with United Way of Greater Los Angeles (UWGLA) from October 1, 2023 to October 1, 2025 of up to \$3.5 million.</p> <p><b><u>Motion EXE 100.1123</u></b>  <b>To authorize staff to execute an HHIP investment agreement in the amount of \$3,500,000 with United Way of Greater Los Angeles to refine and reestablish the Workforce Development Leadership Team, launch priority pilot initiatives, provide stipends, and provide infrastructure funding to strengthen recruitment and retention of staff in agencies in Los Angeles County for the period of October 1, 2023 through October 1, 2025.</b></p> <p>Board Member Booth asked about other organizations involved in similar work in Los Angeles County. Mr. Calhoun responded that United Way is the leader in addressing the workforce shortfall crisis. This is part of the larger work underway in support of the entire community addressing homelessness issues, because without appropriate staffing, it will be very difficult to achieve the goals in reducing and preventing homelessness. L.A. Care is very consistently and, ardently working to connect HHIP funding to strategic initiatives, particularly within community health and CalAIM programming. This funding will directly benefit the community based organizations that are contracted with us to provide homeless services</p> <p>Chairperson Ballesteros noted that L.A. Care funding a program through community benefits years ago for staff retention in nonprofit health clinics, and it was the first time he had seen it done. Member Booth enquired if the HHIP will allow L.A. Care to be creative in funding programs.</p> <p>Dr. Amin responded that this did not require LA Care to get too creative because it was within the bounds of allowable funding. There are some ideas for programs he is discussing with Mr. Baackes that may be a little bit more outside of the box. Fortunately, this is very much in the HHIP box.</p>	<p>Approved unanimously.  <b>3 AYES</b></p> <p><b>The Committee approved to include EXE 100 on the Consent Agenda for the November 2, 2023 Board of Governors meeting.</b></p>
<p>Human Resources Policies HR 105 (Employee Benefit Plans), HR 109 (Jury Duty and Witness Subpoenas), and HR 709 (Language</p>	<p>Terry Brown, <i>Chief Human Resources Officer</i>, presented a motion to approve revisions to three L.A. Care HR policies. For two of the policies, the revision is updating the definition of eligible employees make sure that all of our policies are fully aligned and to make sure that they are aligned with the definitions in the benefit plan. There are benefit plans that individuals can and cannot participate in based upon their employment status.</p>	



AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN																
Proficiency Assessment) <b>(EXE A)</b>	<p>The third policy contains changes in the language proficiency assessment, and the major change is to add a second chance for an employee to take and pass the verbal language proficiency test.</p> <p>The revised policies are written to comply with changes to Regulatory, Legislative and Judicial changes, or reflect changes in L.A. Care’s practices.</p> <table border="1" data-bbox="499 378 1577 938"> <thead> <tr> <th>Policy Number</th> <th>Policy</th> <th>Section</th> <th>Description of Modification</th> </tr> </thead> <tbody> <tr> <td>HR-105</td> <td>Employee Benefit Plans</td> <td>Benefits</td> <td>Revision – clarified definitions and specific processes; update Reporting and Monitoring sections using standard verbiage; removed age requirement under 3.2.7.1 as plan docs do not contain a min age requirement</td> </tr> <tr> <td>HR-109</td> <td>Jury Duty and Witness Subpoenas</td> <td>Benefits</td> <td>Updated definition of Eligible Employees</td> </tr> <tr> <td>HR-709</td> <td>Language Proficiency Assessment</td> <td>Learning and Development</td> <td>Policy Review</td> </tr> </tbody> </table> <p><b>Motion EXE A.1023</b>  <b>To approve revisions to Human Resources Policies HR 105 (Employee Benefit Plans), HR 109 (Jury Duty and Witness Subpoenas), and HR 709 (Language Proficiency Assessment), as presented.</b></p>	Policy Number	Policy	Section	Description of Modification	HR-105	Employee Benefit Plans	Benefits	Revision – clarified definitions and specific processes; update Reporting and Monitoring sections using standard verbiage; removed age requirement under 3.2.7.1 as plan docs do not contain a min age requirement	HR-109	Jury Duty and Witness Subpoenas	Benefits	Updated definition of Eligible Employees	HR-709	Language Proficiency Assessment	Learning and Development	Policy Review	<p><b>Approved unanimously.</b>  <b>3 AYES</b></p>
Policy Number	Policy	Section	Description of Modification															
HR-105	Employee Benefit Plans	Benefits	Revision – clarified definitions and specific processes; update Reporting and Monitoring sections using standard verbiage; removed age requirement under 3.2.7.1 as plan docs do not contain a min age requirement															
HR-109	Jury Duty and Witness Subpoenas	Benefits	Updated definition of Eligible Employees															
HR-709	Language Proficiency Assessment	Learning and Development	Policy Review															
Approve Consent Agenda	<p>Approve the list of items that will be considered on a Consent Agenda for November 2, 2023 Board of Governors Meeting.</p> <ul style="list-style-type: none"> <li>October 5, 2023 Board of Governors Meeting Minutes</li> <li>Housing &amp; Homelessness Incentive Program Investment agreement with United Way of Greater Los Angeles (UWGLA)</li> <li>I Color Printing and Mailing Inc. Contract Amendment Premium Billing Unit with printing, storage, postage/ mailing, reporting, and order fulfillment services through June 30, 2025</li> </ul>	<p><b>Approved unanimously.</b>  <b>3 AYES</b></p>																

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>• MCG (Milliman) Contract provide clinical care guidelines for the period of November 10, 2023 to October 31, 2028</li> <li>• Accounts &amp; Finance Services Policy AFS-008 (Annual Investment Policy Review)</li> </ul>	
<b>PUBLIC COMMENTS</b>	There were no public comments.	
<b>ADJOURN TO CLOSED SESSION</b>	<p>The Joint Powers Authority Executive Committee meeting adjourned at 2:54 pm.</p> <p>Augustavia J. Haydel, Esq., <i>General Counsel</i> announced the items to be discussed in closed session. She announced there is no report anticipated from the closed session. The meeting adjourned to closed session at 3:00 pm.</p> <p><b>REPORT INVOLVING TRADE SECRET</b>  Pursuant to Welfare and Institutions Code Section 14087.38(n)  Discussion Concerning New Service, Program, Business Plan  Estimated date of public disclosure: <i>October 2025</i></p> <p><b>CONTRACT RATES</b>  Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> <li>• Plan Partner Rates</li> <li>• Provider Rates</li> <li>• DHCS Rates</li> </ul> <p><b>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION</b>  Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act  <i>MemorialCare Select Health Plan v. L.A. Care Health Plan</i>  American Health Law Association, Case No. 7028, filed April 28, 2022</p> <p><b>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION</b>  Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act:  Four Potential Cases</p> <p><b>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION</b>  Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680</li> <li>• Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF</li> </ul>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>RECONVENE IN OPEN SESSION</b>	The meeting reconvened in open session at 3:07 pm. No reportable actions were taken during the closed session.	
<b>ADJOURNMENT</b>	The meeting adjourned at 3:08 pm.	

Respectfully submitted by:

Linda Merkens, *Senior Manager, Board Services*

Malou Balones, *Board Specialist III, Board Services*

Victor Rodriguez, *Board Specialist II, Board Services*

APPROVED BY:

\_\_\_\_\_  
Alvaro Ballesteros, MBA, *Board Chairperson*

Date: \_\_\_\_\_



**L.A. Care**  
HEALTH PLAN

**Board of Governors**  
**MOTION SUMMARY**

**Date:** November 15, 2023

**Motion No.** EXE 100.1223

**Committee:** Executive

**Chairperson:** Alvaro Ballesteros, MBA

**Requesting Department:** Human Resources

**Issue:** Approve the disbursement of funds for the Annual Incentive Plan, based on the results of individual performance goals and organizational targets for FY 2022-23.

**Background:**

Currently, employees are eligible to participate based upon job classification, and under one of the following components of the Annual Incentive Program:

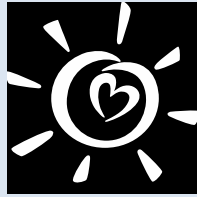
- Monthly Production Incentives Program based on predetermined criteria;
- Individual Annual Incentives Program based on predetermined goals; and,

The Production Incentive Program was budgeted and paid monthly according to policy.

This request is for authorization to payout for the Annual Incentives Program, not to exceed \$10.12 million.

**Budget Impact:** The Annual Incentive Program budget previously approved by the Board of Governors for FY 2022-2023, no more than 4.5% of budgeted Salaries and Benefits. The projected amount for a potential incentive for the Chief Executive Officer has a separate budget.

**Motion:** **To authorize the disbursement of funds not to exceed \$10.12 million for the Individual Annual Incentive Program, based on the completion of pre-determined individual goals and targets in support of L.A. Care's FY 2022-23 Organizational Goals. Distribution of the annual incentive payout shall be guided by Human Resource Policy No. 602, Annual Organizational Incentive Program.**



**L.A. Care**  
HEALTH PLAN  
**Board of Governors**  
**MOTION SUMMARY**

**Date:** November 15, 2023

**Motion No.** EXE A.1123

**Committee:** Executive

**Chairperson:** Alvaro Ballesteros, MBA

**Requesting Department:** Human Resources

**Issue:** L.A. Care Policy HR-501 requires that the Executive Committee annually review substantial changes to the Human Resources Policies.

**New Contract**    **Amendment**    **Sole Source**    **RFP/RFQ was conducted**

**Background:** The revised policies are written to comply with changes to regulatory, legislative and judicial changes, and reflect changes in L.A. Care’s practices.

<b>Policy Number</b>	<b>Policy</b>	<b>Section</b>	<b>Description of Modification</b>
HR-108	Holidays	Benefits	Revision: Added verbiage for employees on Alternative Work Schedule, Section 4.7
HR-114	Paid Time Off	Benefits	Revision: Updated definition of Eligible employees. Removed section 3.3 (Pandemic) and 4.4 (Emergency PTO for COVID-19). Updated Unforeseeable Emergency 4.2.2.4, Up to 2 requests per calendar year.
HR-125	Sick Leave For Per Diem, Part-Time, And Non-Regular Employees	Benefits	Revision: Changed Monitoring and Reporting sections to standard verbiage. Clarified definition of Eligible employees. Updated 3.4 to allow employees to accrue 80 hours or 10 days from one calendar year based on SB 616, effective January 1, 2024; added 4.3 - Accrued, unused time is paid out to employee upon separation or when employee transfers to a position eligible for PTO, effective January 1, 2024.


**Member Impact:** L.A. Care members will benefit from this motion by receiving more efficient service from L.A. Care staff members, who will be thoroughly versed on L.A. Care Human Resource policies

**Budget Impact:** None

**Board of Governors**

**MOTION SUMMARY**

Motion: To approve the Human Resources Policies HR-108 (Holidays), HR-114 (Paid Time Off) and HR-125 (Sick Leave For Per Diem, Part-Time, And Non-Regular Employees), as presented.

	<b>HOLIDAYS</b>	<b>HR-108</b>
<b>DEPARTMENT</b>	HUMAN RESOURCES	
Supersedes Policy Number(s)	6110	

DATES					
Effective Date	1/7/2002	Review Date	6/20/2023	Next Annual Review Date	6/20/2024
Legal Review Date	<del>6/20/2023</del> 11/6/2023	Committee Review Date	<del>6/28/2023</del>		

LINES OF BUSINESS			
<input type="checkbox"/> Cal MediConnect	<input type="checkbox"/> L.A. Care Covered	<input type="checkbox"/> L.A. Care Covered Direct	<input type="checkbox"/> MCLA
<input type="checkbox"/> PASC-SEIU Plan	<input checked="" type="checkbox"/> Internal Operations		

DELEGATED ENTITIES / EXTERNAL APPLICABILITY			
<input type="checkbox"/> PP – Mandated	<input type="checkbox"/> PP – Non-Mandated	<input type="checkbox"/> PPGs/IPA	<input type="checkbox"/> Hospitals
<input type="checkbox"/> Specialty Health Plans	<input type="checkbox"/> Directly Contracted Providers	<input type="checkbox"/> Ancillaries	<input type="checkbox"/> Other External Entities

ACCOUNTABILITY MATRIX			

ATTACHMENTS	

ELECTRONICALLY APPROVED BY THE FOLLOWING		
	OFFICER	DIRECTOR
<b>NAME</b>	Terry Brown	Sarah Viloría Diaz
<b>DEPARTMENT</b>	Human Resources	Human Resources
<b>TITLE</b>	Chief Human Resources Officer	Director, Human Resources Total Rewards



**AUTHORITIES**

- > HR-501 Executive Committee of the Board: HR Roles and Responsibilities
- > California Welfare & Institutions Code Section 14087.9605.

**REFERENCES**

**HISTORY**

REVISION DATE	DESCRIPTION OF REVISIONS
1/7/2002	Revision
3/25/2019	Revision, Eligible Employees defined; Procedure added for taking unscheduled PTO adjacent to a holiday; Holiday pay for alternative work schedule added.
11/3/2020	Review
6/17/2021	Added Juneteenth National Independence Day under Section 3
5/23/2023	Revision, Exempt staff required to work on a holiday under Section 4.5. Also added “up to eight hours” under Section 2.2 and Added Cesar Chavez Day and Veterans Day
<a href="#">9/19/2023</a>	<a href="#">Added verbiage for employees on Alternative Work Schedule, Section 4.7</a>

**DEFINITIONS**






## 1.0 OVERVIEW:

- 1.1 L.A. Care Health Plan (L.A. Care) provides a work environment where time off is allowed for the observance of L.A. Care recognized holidays.

## 2.0 DEFINITIONS:

Whenever a word or term appears capitalized in this policy and procedure, the reader should refer to the “Definitions” below.

- 2.1 **Eligible Employees** - Employees in positions classified as “regular” or “assignment with limited duration” (ALD) who are scheduled to work 30 hours or more per week.
- 2.2 **Holiday Pay** - is the base regular hourly rate of pay that is paid to all Eligible Employees whose normal work schedule includes an L.A. Care recognized holiday. The amount paid is determined by multiplying the Eligible Employee’s base hourly rate of pay by the number of hours normally scheduled to work on that day, up to eight hours.
- 2.3 ~~**Holiday Premium Pay** - is the additional base hourly rate of pay received by Eligible Employees for all hours actually worked on a day identified as an L.A. Care recognized holiday.~~

## 3.0 POLICY:

- 3.1 L.A. Care observes the following 13 holidays when the offices are normally closed to official business:
- 3.1.1 New Years’ Day
  - 3.1.2 Martin Luther King Day
  - 3.1.3 Presidents Day
  - 3.1.4 Cesar Chavez Day
  - 3.1.5 Memorial Day
  - 3.1.6 Juneteenth National Independence Day
  - 3.1.7 Independence Day
  - 3.1.8 Labor Day
  - 3.1.9 Veterans Day
  - 3.1.10 Thanksgiving Day
  - 3.1.11 Day after Thanksgiving Day
  - 3.1.12 Christmas Eve
  - 3.1.13 Christmas Day

## 4.0 PROCEDURES:

- 4.1 Holidays falling on Saturday are observed on the preceding Friday, and holidays falling on Sunday are observed on the following Monday.



- 4.2 \_\_\_ Employees must be on active paid status on both the work day prior to the holiday and the work day after the holiday to be eligible to be paid for that holiday.
- 4.2.1 \_\_\_ When an employee is on approved scheduled paid time off (PTO) in conjunction with a holiday, the employee must be at work both the work day prior to and after the approved scheduled PTO in order to be eligible for pay for that holiday.
- 4.3 \_\_\_ —If the employee is not at work due to own illness, the work day prior and/or the work day after the holiday, nor the work day prior to and after the approved scheduled PTO in conjunction with the holiday, the employee may be eligible for pay for that holiday. The employee must present to his/her Human Resources Business Partner (HRBP) a valid healthcare provider’s note excusing the employee for the specific day/s. Any employee who is on leave of absence (LOA), unscheduled PTO, or not at work the work day prior and/or the work day after the holiday is not eligible for pay for that holiday.
- 4.3.1 \_\_\_ Employees may use their accrued unused PTO to make up the compensation they did not receive for that holiday.
- 4.4 \_\_\_ —Non-exempt employees who are required to work on the actual holiday when the offices are closed will receive Holiday Pay in addition to ~~Holiday Premium Pay~~ getting paid for all hours actually worked on a company recognized holiday. For example, a full-time non-exempt employee with a base hourly rate of pay of ~~\$16.50~~ \$23.00 who works four (4) hours on Thanksgiving Day will be paid eight (8) hours of Holiday Pay (~~\$132~~ \$184.00) plus four (4) hours of their base hourly rate (~~\$66~~ \$92.00). Advance supervisory approval is required for the holiday worked.
- 4.5 \_\_\_ ~~Exempt employees will generally not receive additional Holiday Pay but rather will be paid their regular salary for the week in which a holiday falls.~~ Exempt employees who are required to work on a holiday will receive Holiday Pay and will be permitted to take off another work day during the same pay period, where feasible. The employee’s supervisor will ensure an alternate day off is scheduled within the same pay period.
- 4.6 \_\_\_ —If the holiday is observed on an employees’ day off and that employee works an alternative schedule (i.e. 4/10), then the employee can take eight hours off another work day during the same week.
- 4.7 \_\_\_ Employees who work an alternative schedule (i.e. 4/10) will be paid Holiday pay up to the number of hours normally scheduled to work that day up to 8 hours, and allowed to make up the additional normally scheduled hour/s or takeuse PTO for the remaining additional hours.
- 4.87 \_\_\_ Part-time employees who are routinely off or normally scheduled off on L.A. Care recognized holiday are not eligible for Holiday Pay.
- 4.98 \_\_\_ Individuals hired into a temporary employment status or per diem are not eligible for Holiday Pay.

**5.0 MONITORING:**

4 of 5




**5.1** Human Resources has processes and guidelines in place for maintaining relevant information about concerns and complaints raised under this policy.

**6.0 REPORTING:**

**6.1** Human Resources reviews its policies routinely to ensure they are updated appropriately and has processes in place to ensure the appropriate required steps are taken under this policy.

**7.0** L.A. Care reserves the right to modify, rescind, delete, or add to this policy at any time with or without notice.

	<b>PAID TIME OFF</b>	<b>HR-114</b>
<b>DEPARTMENT</b>	HUMAN RESOURCES	
Supersedes Policy Number(s)	9115	

DATES					
Effective Date	4/1/1996	Review Date	<del>06/28/2021</del> <u>8/16/2023</u>	Next Annual Review Date	<del>06/09/28/20/202</del> <u>2/2023</u> <u>8/16/2024</u>
Legal Review Date	<u>11/6/2023</u>	Committee Review Date			

LINES OF BUSINESS			
<input type="checkbox"/> Cal MediConnect	<input type="checkbox"/> L.A. Care Covered	<input type="checkbox"/> L.A. Care Covered Direct	<input type="checkbox"/> MCLA
<input type="checkbox"/> PASC-SEIU Plan	<input checked="" type="checkbox"/> Internal Operations		

DELEGATED ENTITIES / EXTERNAL APPLICABILITY			
<input type="checkbox"/> PP – Mandated	<input type="checkbox"/> PP – Non-Mandated	<input type="checkbox"/> PPGs/IPA	<input type="checkbox"/> Hospitals
<input type="checkbox"/> Specialty Health Plans	<input type="checkbox"/> Directly Contracted Providers	<input type="checkbox"/> Ancillaries	<input type="checkbox"/> Other External Entities

ACCOUNTABILITY MATRIX			

ATTACHMENTS	

ELECTRONICALLY APPROVED BY THE FOLLOWING		
	OFFICER	DIRECTOR
<b>NAME</b>	Terry Brown	Sarah Viloría Diaz
<b>DEPARTMENT</b>	Human Resources	Human Resources
<b>TITLE</b>	Chief Human Resources Officer	Director, Human Resources Total Rewards

AUTHORITIES	
➤ HR-501, “Executive Committee of the Board: HR Roles and Responsibilities”	
➤ California Welfare & Institutions Code §14087.9605.	

REFERENCES	

HISTORY	
REVISION DATE	DESCRIPTION OF REVISIONS
1/6/2014	Review
9/21/2017	Revision
3/23/2020	Revision, Friends Helping Friends (PTO donation) section updated; Emergency PTO for COVID-19 added
5/26/2020	Revisions, Section 4.1.5, 4.2.1, 4.4.5, Unforeseen Emergency PTO-Cash Out added
6/28/2021	Emergency PTO for COVID updated and Parental PTO added
<u>2/17/2022</u>	<u>Emergency PTO for COVID updated per Senate Bill 114 (SB 114)</u>
<u>9/20/2022</u> <u>10/18/23</u>	<u>Revision, Updated definition of Eligible employees. Removed section 3.3 (Pandemic) and 4.4 (Emergency PTO for COVID-19). Updated Unforeseeable Emergency 4.2.2.4, Up to 2 requests per calendar year.</u>
<u>8/16/2023</u>	<u>Updated definition of Eligible employees</u>
<u>10/18/2023</u>	<u>Removed section 3.3 (Pandemic) and 4.4 (Emergency PTO for COVID-19)</u>

DEFINITIONS	
Please visit the L.A. Care intranet for a comprehensive list of definitions used in policies: <a href="http://insidelac/ourtoolsandresources/departmentspoliciesandprocedures">http://insidelac/ourtoolsandresources/departmentspoliciesandprocedures</a>	



**1.0 OVERVIEW:**

1.1 L.A. Care Health Plan (L.A. Care) provides Paid Time Off (PTO) benefits to Eligible Employees for vacations, illness and personal needs. PTO is also provided to employees for periodic rest and relaxation away from the job. Additional compensation is not provided in lieu of actual time off.

**2.0 DEFINITIONS:**

Whenever a word or term appears capitalized in this policy and procedure, the reader should refer to the "Definitions" below.

2.1 Eligible Employees - Employees in positions classified as "Regular" or "Assignment of Limited Duration" (ALD) who are regularly scheduled to work 30 hours or more per week are eligible for PTO. All other employees accrue sick leave based upon hours worked. (see policy HR-125, Sick Leave for Per-Diem, Part-Time, and Non Regular Employees).

2.12.2 Family Member - biological, adopted, or foster child, stepchild, legal ward or a child to whom the employee stands in loco parentis; an employee's biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child; spouse; registered domestic partner; grandparent; grandchild; and sibling as defined in California Labor Code §§245.5 and 246.5, or for any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship, pursuant to the City of Los Angeles Sick Leave Ordinance No. 184320, Municipal Code Chap. XVIII, Art. 7, Section 187.04. Family Member - biological, adopted, or foster child, stepchild, legal ward or a child to whom the employee stands in loco parentis; an employee's biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child; spouse; registered domestic partner; grandparent; grandchild; and sibling as defined in California Labor Code §§245.5 and 246.5, or for any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship, pursuant to the City of Los Angeles Sick Leave Ordinance No. 184320, Municipal Code Chap. XVIII, Art. 7, Section 187.04.

2.22.3 Length of Service - calculated from the original hire date, adjusted for Leave of Absences (LOAs), reinstatement, or change of employment status.

2.32.4 Medical Emergency - a serious illness or other medical condition (e.g., heart attack, surgery, automobile accident injuries, cancer, or other life threatening disease) of the PTO Recipient or his or her Family Member that is likely to (a) require the PTO Recipient's absence from work for a prolonged period, and (b) result in a substantial loss of income to the PTO Recipient because he or she will



have exhausted all accrued unused PTO. A Medical Emergency or the death of a Family Member will be considered likely to result in a PTO Recipient's absence from work for a prolonged period and a substantial loss of income only if the PTO Recipient is absent or expected to be absent from work without PTO for a period of at least one day for a full-time employee. This minimum required number of hours of absence will be prorated for a part-time employee.

**2.42.5 PTO Benefits** - benefit provided for employees to use for any reason they choose such as vacations, sick time, non-company holidays LOA as mandated by law or L.A. Care policy, doctor's appointments, etc.

**2.52.6 Unforeseeable Emergency** - a severe financial hardship of the employee resulting from an illness or accident of the employee, the employee's spouse, the employee's dependent (as defined in Internal Revenue Code section 152, and, without regard to Internal Revenue Code sections 152(b)(1), (b)(2), and (d)(1)(B)), or other Family Member of the employee; loss of the employee's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by homeowner's insurance, such as a damage that is the result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a direct result of events beyond the control of the employee, such as a major disaster or state of emergency declared by the President under section 401 or 501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, a public health emergency declared by the Secretary of the U.S. Department of Health and Human Services under section 319 of the Public Health Service Act, a state of emergency declared by the Governor of the State of California under California Government Code section 8625, or a local emergency declared by the Mayor of the City of Los Angeles or by the Board of Supervisors of the County of Los Angeles. For example, the imminent foreclosure or eviction from the employee's home may constitute an Unforeseeable Emergency. In addition, the need to pay for medical expenses, including non-refundable deductibles, as well as for the cost of prescription drug medication, may constitute an Unforeseeable Emergency. Finally, the need to pay for the funeral expenses of a spouse, dependent (as defined in Internal Revenue Code section 152, and, without regard to Internal Revenue Code sections 152(b)(1), (b)(2), and (d)(1)(B)) or other Family Member of the employee may also constitute an Unforeseeable Emergency. Neither the purchase of a home nor the payment of college tuition nor paying off credit card debt is an Unforeseeable Emergency.

### 3.0 **POLICY:**

- 3.1 All eEligible Eemployees, regularly scheduled to work at least 30 hours per week, are eligible to earn pro-rated PTO. The rate earned varies with the employee's Length of Service, Fair Labor Standards Act (FLSA) status and hours worked during each pay period.
- 3.2 The PTO Benefit is designed to provide income for Eeligible Eemployees while off work and may not be used to compensate for tardiness.





~~3.3 — In the event of an emergency declared by the federal government of the United States, the State of California, the cities in or County of Los Angeles, L.A. Care will, in accordance with Section 4.4, provide up to 80 hours of emergency PTO in recognition of the effects of such declared emergency pandemic [LD1] on the workforce and the community related to the novel coronavirus known as COVID-19, or as that term may change under the circumstances (“COVID-19”). This emergency PTO is intended to satisfy the applicable emergency paid sick leave requirements set forth in Division E of the Families First Coronavirus Response Act (P.L. 116-127) (“FFCRA”), and further extend certain applicable benefits as permitted under the American Recovery Plan Act through September 30, 2021. Accordingly, this emergency PTO is in lieu of, not in addition to, the FFCRA required emergency paid sick leave during the applicable time periods. [SVD2] [LD3] In offering the emergency PTO under this Subsection 3.3 and Section 4.4 below, L.A. Care finds that there is significant public purpose in providing this emergency PTO under the circumstance as it [LD4] will support federal, state and local efforts to mitigate the spread of COVID-19 within the community, abide by the applicable [SVD5] directives from federal, state or local authority(ies) in an effort to mitigate the impact of the spread of COVID-19 and related impact on the health care system, and help mitigate the financial impact on affected employees who are unable to work remotely.~~

**3.4.3 Paid Parental Leave:** As outlined in policy and procedure HR-112 – Leave of Absence, and subject to the requirements, conditions and parameters set forth in that policy, L.A. Care will provide two (2) weeks, maximum 80 PTO hours, of Paid Parental Leave under this section. The Paid Parental Leave under this section is coordinated with HR-112 and together shall not exceed 80 hours per adoption or birth event. Hours do not accrue.

**4.0 PROCEDURES:**

**4.1 Paid Time Off (PTO)**

- 4.1.1 The maximum number of PTO hours that Eligible Employees are able to maintain in their PTO bank is 520 hours. An employee who reached the maximum level of 520 hours will not earn additional PTO until enough PTO hours have been used to reduce the accumulated hours below the maximum level, at which time the accrual will begin again.
- 4.1.2 Employees are required to use their accrued PTO hours for any and all time off except for specific LOAs including bereavement leave, jury duty and witness subpoenas.
- 4.1.3 Pre-approved time off that is entered in L.A. Care’s timekeeping system (automated timekeeping system) will be deducted automatically from the



employee's PTO bank as soon as the time is taken. Time off that is not pre-approved and/or not entered in automated timekeeping system will be deducted on the next pay period after the time is noted in automated timekeeping system.

- 4.1.4** Employees may use PTO only up to the number of unused accrued hours in their PTO bank. Employees are not allowed to have a negative balance in their PTO bank.
- 4.1.5** PTO begins to accrue with the first pay period following employment. PTO continues to accrue every pay period in which the employee remains eligible.
- 4.1.6** PTO is considered to be vested when earned and must be used when the employee is off work, except as it relates to certain LOAs including bereavement leave, jury duty and witness subpoenas. Employees must obtain prior approval from their supervisor with as much advance notice as possible. PTO approval is not automatic and will be scheduled according to the staffing needs of L.A. Care and workload of individual departments.
- 4.1.7** Unless otherwise specified, an increase in PTO accrual will be in effect the pay period in which the Length of Service of an exempt or non-exempt employee reaches the 49<sup>th</sup> month (four years and one month). The second increase in PTO accrual for a non-exempt employee will be in effect the pay period in which the Length of Service of the employee reaches the 109<sup>th</sup> month (nine years and one month).
- 4.1.8** PTO will be integrated with State Disability Insurance (SDI), Workers Compensation (WC), Paid Family Leave (PFL), or Short Term Disability (STD) benefits when eligible. This means L.A. Care will pay from PTO Benefits to complete the employee's lost wages for the period covered. Employees will accrue PTO based on the hours paid while off work until they have used all accrued PTO and enter a non-paid employee status.
- 4.1.9** PTO is paid at the employee's base rate in effect at the time the PTO hours are used.
- 4.1.10** An employee who transfers from a PTO eligible status to a non-eligible status will be paid at the time of transfer for all hours of accrued unused PTO at the rate of pay in effect before the transfer.
- 4.1.11** All requests (exempt and non-exempt employees) for PTO must be done through the automated time record system and forwarded to their immediate supervisor for approval. The immediate supervisor then determines if the time will be approved or not.



**4.1.12** Employees must inform their supervisor in a timely manner if they did not use their previously approved PTO. Employees must complete a Time Exception Report for adjustments after the time card has been approved and locked in the automated time record system.

**4.1.13** All accrued unused PTO hours at the time of separation from employment are paid at the rate of pay in effect on the date of separation.

**4.1.14** Employees may earn PTO according to the following schedule:

<b>FLSA Status</b>	<b>Length of Service</b>	<b>PTO Accrual Pay Period (PP)</b>	<b>PTO Per Year</b>
Non-Exempt (Hourly)	0 through 48 months	up to 5.23 hours	up to 17 days
	49 months through 108 months	up to 6.78 hours	up to 22 days
	109 months and over	up to 8.31 hours	up to 27 days
Exempt (Salaried)	0 through 48 months	up to 6.78 hours	up to 22 days
	49 months and over	up to 8.31 hours	up to 27 days
Senior Directors and Above	0 months and over	up to 8.31 hours	up to 27 days

**4.2 PTO Cash-Out**

**4.2.1** Except as provided in Section 4.2.2, requests for PTO cash-out must be made in December for payout the following calendar year in December in accordance with this Section 4.2.1.

**4.2.1.1** The employee must have a minimum of 80 PTO hours at the time the request is made.

**4.2.1.1.1** PTO cash-out request must be made in increments of eight hours.

**4.2.1.2** The requested PTO cash-out hours cannot exceed the amount of PTO earned during the payout year.

**4.2.1.3** Requests can only be made once per year.

**4.2.1.4** Cash-out elections will be processed, less mandated taxes and withholdings, the last pay date of December.

**4.2.1.5** Cash-out elections must be irrevocable and made only with respect to PTO that has not yet been earned and that will be earned during the calendar year in which the PTO is cashed out,



and the employee can neither increase nor decrease the elected number of PTO hours for which payment will be made.

**4.2.1.6** Any PTO taken by the employee will be subtracted first from any unused PTO carried over from the calendar year in which the election is made, and second from any PTO hours earned in the year that was not cashed out.

**4.2.1.7** If the employee terminates employment before December of the calendar year in which the PTO is cashed out, no cash payment will be made under this section. Instead, the rules for payment of accrued and unused PTO upon separation of employment will apply.

**4.2.2** In the event of an Unforeseeable Emergency that cannot be satisfied from other resources, an employee may apply to the Human Resources Department for a PTO cash-out in accordance with the rules in this Section 4.2.2.

**4.2.2.1** The net payment resulting from any PTO cash-out granted in accordance with this Section 4.2.2 will be limited to the amount that is reasonably necessary to satisfy the emergency need, including any amounts that may be necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated as a result of the cash-out.

**4.2.2.2** No PTO cash-out will be paid under this Section 4.2.2 to the extent that such an emergency is or may be relieved through reimbursement or compensation from insurance or otherwise, by liquidation of the employee's assets, to the extent liquidation of such assets would not itself cause severe financial hardship.

**4.2.2.3** To obtain a PTO cash-out under this Section 4.2.2, an employee must submit to the Human Resources Department a written, certified statement on the Unforeseeable Emergency PTO Cash-Out Request Form provided by L.A. Care and available supporting documentation to demonstrate the financial need, the amount of the financial need, and that the financial need was due to extraordinary and unforeseeable circumstances arising as a direct result of events beyond the employee's control and cannot be satisfied from other available resources. The form, including the certified statement and all supporting documentation, must be approved by the Human Resources Department before any PTO cash-out will be paid under this Section 4.2.2.



4.2.2.34.2.2.4 Up to two (2) PTO cash-out requests will be accepted and approved per calendar year.

4.2.2.44.2.2.5 The Chief Human Resources Officer (CHRO) or designee will, in his or her sole discretion, determine based on the recommendation of the designated staff member of the Human Resources Department whether an unforeseeable emergency exists and the extent of the financial need, and approve or deny the request for unforeseeable emergency PTO cash-out based on that determination. The Human Resources Department will notify the employee in writing of the CHRO's determination as soon as administratively practical, but in no event more than 30 days, after its receipt of the completed request form. If approved, the PTO cash-out will be paid as soon as administratively practical following approval.

4.2.2.54.2.2.6 The PTO cash-out cannot exceed the amount of the employee's accrued PTO, and an employee must have a minimum of at least 80 hours of accrued PTO remaining in the employee's PTO bank after the requested PTO cash-out.

4.2.2.64.2.2.7 All PTO cash-outs will be subject to income and FICA taxes, and all required tax withholdings will be applied to the cash-out.

### **4.3 Friends Helping Friends – PTO-Sharing Program**

**4.3.1** The Friends Helping Friends – Under the rules set forth in this section, this PTO-Sharing Program permits an employee (PTO Contributor) to transfer accrued PTO hours from employee's PTO bank directly to the PTO bank of another employee (PTO Recipient) who experiences a Medical Emergency or the death of a Family Member that will likely require a prolonged absence from work, including intermittent absences that are related to the same Medical Emergency, and who will suffer a substantial loss of income because employee will, apart from this PTO-Sharing Program, have exhausted all of the PTO hours available in employee's accrued unused PTO bank.

**4.3.1.1** An employee who wishes to become a PTO Recipient or employee's personal representative must submit the Friends Helping Friends Sharing of PTO application form provided by L.A. Care to Employee Benefit Administrator or the Human Resources Total Rewards Coordinator in the Human Resources Department for consideration. The completed application form must include: (1) the potential PTO Recipient's name and position title; (2) the number of additional PTO hours employee



reasonably needs to deal with the Medical Emergency or death of a Family Member; (3) the reasons the transferred leave is needed, including a brief description of the nature, severity, and anticipated duration of the Medical Emergency; (4) a written statement from a health care provider or government agency certifying the nature, severity and anticipated duration of the Medical Emergency; and (5) any other documentation or information about the Medical Emergency or death that Human Resources may require.

**4.3.1.1.1** All employees are prohibited from soliciting donated hours on their own behalf. If staff is found to have solicited PTO hours, the donated hours from solicited staff may be revoked.

**4.3.1.1.2** Human Resources will determine, at its sole discretion, the amount of PTO (if any) that may be transferred to any applicant to be a PTO Recipient. Such determination will be made on the basis of the applicant's need. A PTO contributor may donate a maximum of 40 PTO hours in a rolling calendar year.

**4.3.1.1.3** The contributor must have a minimum of 80 PTO hours at the time of donation.

**4.3.1.2** Human Resources will notify the PTO Recipient in writing of its decision regarding the application as soon as practical, but in no event more than 30 days after its receipt of the application. If the application is disapproved, in whole or in part, Human Resources will include the reason for its disapproval in the notice.

**4.3.1.3** After the PTO Recipient's application has been approved and the PTO Recipient has exhausted all of the PTO hours in his or her accrued unused PTO bank, the PTO Recipient is eligible to receive transfers of PTO hours not to exceed the number of PTO hours requested (to be paid at his or her normal rate of compensation) from the PTO Contributor(s).

**4.3.1.3.1** PTO hours transferred from the PTO Contributor will be credited to the PTO Recipient's PTO bank for use in accordance with this PTO-Sharing Program.

**4.3.1.3.2** No PTO will be transferred to the PTO Recipient's PTO bank if the applicant to be a PTO Recipient



cannot accumulate or receive additional leave under L.A. Care's existing policies, programs or plans.

**4.3.1.4** An employee who wishes to become a PTO Contributor by transferring PTO hours from employee's PTO bank directly to the PTO bank of the PTO Recipient must submit a completed Friends Helping Friends Sharing of PTO form provided by L.A. Care to Employee Benefit Administrator or the Human Resources Total Rewards Coordinator in the Human Resources Department for consideration. PTO-Sharing is subject to the following rules:

**4.3.1.4.1** PTO-Sharing will be strictly voluntary; the identity of the PTO Contributors will be held in absolute confidence unless they want their identity revealed.

**4.3.1.4.2** PTO hours transferred by the PTO Contributor will be subtracted from the PTO Contributor's PTO bank hour for hour.

**4.3.1.4.3** The PTO transfer request is irrevocable by the PTO Contributor. The contributor agrees that contributor will not be entitled to use the PTO that contributor requests to transfer on the completed Friends Helping Friends Sharing of PTO form submitted to Employee Benefit Administrator or the Human Resources Total Rewards Coordinator in the Human Resources Department for any purpose, including but not limited to PTO and PTO cash-out.

**4.3.1.4.4** Human Resources has the sole discretion to determine to accept or reject any PTO transfer request.

**4.3.1.4.5** No leave will be transferred to the PTO Recipient's PTO bank unless and until Human Resources makes a reasonable determination that the PTO Recipient will need the PTO for the Medical Emergency or death of a Family Member.

**4.3.1.4.6** Transfers of PTO to the PTO Recipient's PTO bank will be made on a first-in, first-out basis.

**4.3.1.4.7** If the PTO Contributor terminates employment with L.A. Care before all PTO that contributor requested be transferred in accordance with the PTO transfer



request form has been transferred to the PTO Recipient's PTO bank, L.A. Care will treat the PTO that has not yet been transferred as credited to the PTO Contributor's PTO bank. That PTO will be cashed out on the PTO Contributor's termination with L.A. Care in accordance with governing law.

**4.3.1.5** The PTO Recipient may use the additional PTO only for the absence related to the Medical Emergency or Family Member's death for which the PTO Recipient was approved.

**4.3.1.5.1** The PTO Recipient may not transfer PTO received to another PTO Recipient.

**4.3.1.5.2** The PTO Recipient may not cash out any PTO hours transferred from the PTO Contributor's PTO bank to the PTO Recipient's PTO bank under the PTO-Sharing Program.

**4.3.1.5.3** A PTO Recipient's use of any PTO transferred under this PTO-Sharing Program is subject to all existing L.A. Care policies and procedures relating to the use of any other PTO, including prior approval before this PTO may be used.

**4.3.1.5.4** Any PTO transferred under this PTO-Sharing Program and credited to the PTO Recipient's PTO bank is not vested and is conditioned on the use of the PTO transferred in accordance with the terms and conditions of this PTO-Sharing Program and as otherwise may be specified by L.A. Care at any time and from time to time to achieve the purposes of this PTO-Sharing Program.

**4.3.1.5.5** If for any reason the PTO Recipient does not use PTO transferred to his or her PTO bank under this PTO-Sharing Program to deal with a Medical Emergency or death of a Family Member in accordance with this PTO-Sharing Program, then any PTO transferred to employee's PTO bank under this PTO-Sharing Program will be removed from employee's PTO bank and returned to the PTO Contributor's PTO Bank if the PTO Contributor is still employed by L.A. Care.





- 4.3.1.5.6** If the PTO Recipient terminates employment with L.A. Care before using all PTO transferred under this PTO-Sharing Program, the unused PTO will be removed from the PTO Recipient's PTO bank and returned to the PTO Contributor's PTO Bank if the PTO Contributor is still employed by L.A. Care. In that case, the PTO Recipient will not be paid the cash value of the PTO on termination.
- 4.3.1.6** L.A. Care will administer the PTO-Sharing Program in a uniform and nondiscriminatory manner. L.A. Care has the sole and absolute discretion to administer and interpret the PTO-Sharing Program as necessary or appropriate to carry out its purposes. Accordingly, all determinations made by L.A. Care with respect to the PTO-Sharing Program will be given the maximum deference allowed by law.
- 4.3.1.7** L.A. Care reserves the right to amend or terminate this PTO-Sharing Program at any time and for any reason. If L.A. Care terminates the PTO-Sharing Program, any PTO hours that have not been transferred from any PTO Contributor's PTO bank to any PTO Recipient's PTO bank at termination will not be transferred and will remain in the PTO Contributor's PTO bank.
- 4.3.1.8** Whether or not the PTO-Sharing Program is terminated, L.A. Care reserves the right to cease transferring PTO hours to any PTO Recipient at any time and for any reason. In that case, all PTO hours that have not yet been transferred will not be transferred.
- 4.3.1.9** In accordance with IRS Revenue Ruling 90-29, L.A. Care will treat the income attributable solely to the PTO hours transferred from the PTO Contributor's PTO bank to the PTO Recipient's PTO bank under the PTO-Sharing Program, as described herein, as wages of the PTO Recipient, not the PTO Contributor, for purposes of withholding and reporting federal and state income and employment taxes (e.g., Social Security and Medicare taxes under the Federal Insurance Contributions Act). However, L.A. Care does not guarantee or warrant to any individual that the intended tax consequences of the PTO-Sharing Program will prevail or be accepted by the Internal Revenue Service or by any court.



~~4.4.1 Notwithstanding the above, L.A. Care shall provide up to 80 hours of emergency PTO in recognition of the effects of COVID-19 on the workforce and the community in accordance with this section. This emergency PTO is to be used in conjunction with, and offset by, any other applicable federal and/or state approved benefits to the extent permitted by law. In addition, this emergency PTO is intended to satisfy the emergency paid sick leave requirements set forth in effective January 1, 2022 through September 30, 2022 Division E of the FFCRA and, therefore, is in lieu of, not in addition to, the FFCRA required emergency paid sick leave. If an employee exhausted their allotment of 80 hours of PTO prior to April 1, 2021, an additional 80 hours of PTO will be made available through September 30, 2021.~~

~~4.4.2 This emergency PTO is available for use immediately by each L.A. Care employee, regardless of how long the employee has been employed or how many hours a week the employee has worked.~~

~~4.4.3 Each employee may use this emergency PTO first, before the employee uses other accrued PTO or, if applicable, sick time pursuant to HR-125 Sick Leave for Per Diem, Part-Time, and Non-Regular Employees policy.~~

~~4.4.4 The emergency PTO is available during the duration of the emergency declared <sup>[SVD7][LDS]</sup> COVID-19 pandemic by the federal government of the United States, the State of California, cities in or County of Los Angeles, whichever ends later; provided, however, that the emergency PTO is available during a period that begins no later than April 1, 2020, and ends no earlier than December 31, 2020.~~

~~4.4.5 Any unused emergency PTO will expire and will not carry over from one year to the next and will not to be paid out at the end of an employee's employment, to the extent permitted by applicable laws. This emergency PTO is not eligible for PTO cash-out or PTO Sharing Program pursuant to sections 4.2 and 4.3 above.~~

~~4.4.6 L.A. Care shall provide up to 80 hours of emergency PTO to each employee to the extent the employee is unable to work (or telework) due to a need for leave because:~~

~~4.4.6.1 The employee is subject to a federal, state or local quarantine or isolation order related to COVID-19.~~

~~4.4.6.2 The employee has been advised by a healthcare provider to self-quarantine due to concerns relating to COVID-19.~~

~~4.4.6.3 The employee is experiencing the symptoms of COVID-19 and seeking a medical diagnosis.~~



~~4.4.6.4~~ — The employee is caring for a Family Member who is:

~~4.4.6.5~~ —

~~4.4.6.5.1~~ — Advised by a healthcare provider to self-quarantine due to concerns related to COVID-19; or

~~4.4.6.5.2~~ — Subject to a federal, state, or local quarantine or isolation order related to COVID-19.<sup>[LD9]</sup>

~~4.4.6.6~~ — The employee is caring for the employee's child if the child's school or place of care has been closed or the child's childcare provider is unavailable due to COVID-19 precautions.

~~4.4.6.7~~ — The employee is experiencing any other substantially similar condition specified by the Department of Health and Human Services in consultation with the IRS and the Department of Labor, or other COVID-19 driven circumstance approved by the Chief of Human Resources Officer or Chief Medical Officer.

~~4.4.7~~ — An employee who qualifies for emergency PTO as described in this section must submit a request for emergency PTO in the prescribed manner to the Leave of Absence Department in Human Resources or designee, which request must be approved before emergency PTO will be granted.

~~4.4.8~~ — L.A. Care shall calculate the emergency PTO based on the number of hours the employee would otherwise normally be scheduled to work and a rate of pay that is no less than the employee's regular rate of pay (as determined under section 7(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(e)) ("FLSA")); the minimum wage rate in effect under section 6(a)(1) of the FLSA, or the minimum wage rate in effect for the employee in the applicable state or locality, whichever is greater.


## 5.0 **MONITORING:**

5.1 Human Resources will conduct annual review of the PTO policy to ensure compliance.

## 6.0 **REPORTING:**

6.1 Any suspected violations to this policy should be reported to your Human Resources Business Partner.

7.0 L.A. Care reserves the right to modify, rescind, delete, or add to this policy at any time, with or without notice.

	<b>SICK LEAVE FOR PER DIEM, PART-TIME, AND NON-REGULAR EMPLOYEES</b>	<b>HR-125</b>
<b>DEPARTMENT</b>	HUMAN RESOURCES	
Supersedes Policy Number(s)		

DATES					
Effective Date	7/1/2015	Review Date	<del>5/9/2019</del> 10/5/2023	Next Annual Review Date	<del>5/9/2020</del> 10/5/2024
<u>Legal Review Date</u>	<u>11/6/2023</u>	<u>Committee Review Date</u>			

LINES OF BUSINESS			
<input type="checkbox"/> Cal MediConnect	<input type="checkbox"/> L.A. Care Covered	<input type="checkbox"/> L.A. Care Covered Direct	<input type="checkbox"/> MCLA
<input type="checkbox"/> PASC-SEIU Plan	<input checked="" type="checkbox"/> Internal Operations		

DELEGATED ENTITIES / EXTERNAL APPLICABILITY			
<input type="checkbox"/> PP – Mandated	<input type="checkbox"/> PP – Non-Mandated	<input type="checkbox"/> PPGs/IPA	<input type="checkbox"/> Hospitals
<input type="checkbox"/> Specialty Health Plans	<input type="checkbox"/> Directly Contracted Providers	<input type="checkbox"/> Ancillaries	<input type="checkbox"/> Other External Entities

ACCOUNTABILITY MATRIX			

ATTACHMENTS
➤ HR-114 Paid Time Off

ELECTRONICALLY APPROVED BY THE FOLLOWING		
	OFFICER	DIRECTOR
<b>NAME</b>	Terry Brown	Sarah Viloría Diaz
<b>DEPARTMENT</b>	Human Resources	Human Resources
<b>TITLE</b>	Chief Human Resources Officer	Director, Human Resources, Total Rewards



**AUTHORITIES**

- California Labor Code §245 *et seq.*
- City of Los Angeles Sick Leave Ordinance No. 184320, Municipal Code Chap. XVIII, Art. 7, §187.04

**REFERENCES**

- HR-114, “Paid Time Off”

**HISTORY**

REVISION DATE	DESCRIPTION OF REVISIONS
7/1/2015	New Policy
1/24/2018	Revision
5/9/2019	Review
<del>4/17/2020</del> <del>10/5/2023</del>	<del>Review; Accrued, unused time is paid out employee separation or when employee transfers to a position eligible for PTO; Cehanged Monitoring and Reporting sections to standard verbiage. Clarified definition of Eligible employees. Updated 3.4 to allow employees to accrue 80 hours or 10 days from one calendar year based on SB616, effective 1/1/2024; added 4.3 - Accrued, unused time is paid out employee separation or when employee transfers to a position eligible for PTO, effective 1/1/2024</del>
<del>8/17/2023</del>	<del>Clarified definition of Eligible employees</del>
<del>10/5/2023</del>	<del>Updated 3.4 to allow employees to accrue 80 hours or 10 days from one calendar year based on SB616, effective 1/1/2024; added 4.3 – Accrued, unused time is paid out employee separation or when employee transfers to a position eligible for PTO, effective 1/1/2024</del>

**DEFINITIONS**

Please visit the L.A. Care intranet for a comprehensive list of definitions used in policies:  
<http://insidelac/ourtoolsandresources/departmentspoliciesandprocedures>



## 1.0 **OVERVIEW:**

1.1 Under California's Paid Sick Leave Law, California Labor Code §245 et seq. and City of Los Angeles Sick Leave Ordinance No. 184320, Municipal Code Chap. XVIII, Art. 7, Section 187.04, L.A. Care Health Plan (L.A. Care) will provide paid sick leave to employees subject to this policy, consistent with California law and the City of Los Angeles Ordinance, who work 30 or more days in California within a year of hire and have successfully completed 90 days of employment.

## 2.0 **DEFINITIONS:**

Whenever a word or term appears capitalized in this policy and procedure, the reader should refer to the "Definitions" below.

2.1 **Employee** - For the purposes of this policy, "Employee" means "per diem, part-time employees regularly scheduled less than 30 hours per week, ~~student interns~~ ~~workers~~, or temporary employees ~~with no benefits~~ ~~who are not eligible for Paid Time Off (PTO)~~, who are employees of L.A. Care and on the payroll as such."

2.1.1 Full-time and part-time employees who are in regular ~~or Assignment of Limited Duration (ALD)~~ status positions and are scheduled to work 30 or more hours per week accrue ~~paid time off (PTO)~~, as covered under HR-114, "Paid Time Off," and therefore are not covered under this policy.

## 3.0 **POLICY:**

3.1 Beginning January 1, 2018, or the first day of employment if hired after January 1, 2018, per diem, part-time regularly scheduled less than 30 hours per week employees, student workers and temporary employees with no benefits, shall accrue one hour of sick time for every 30 hours worked, provided that accruals will stop when the employee's sick leave balance reaches 72 hours or nine days, whichever is greater. Employees will not resume accruing sick leave under this policy until enough sick leave has been used to reduce the accumulated hours below the maximum level, at which time the accrual will begin again.

3.2 Employees may use accrued paid sick time beginning with their 90th day of employment.

3.3 Employees may use up to a maximum of 48 hours (six days) of paid sick leave in each calendar year of employment.

3.4 Accrued, unused sick time under this policy will carry over from one calendar year to the next. However, an employee's accrued paid sick leave balance may not exceed ~~72-80~~ hours or ~~nine-ten~~ days, whichever is greater.



#### 4.0 **PROCEDURES:**

- 4.1 Leave under this policy may be used in connection with the diagnosis, care or treatment of an existing health condition for, or the preventive care of, an employee, an employee's family member (i.e., biological, adopted, or foster child, stepchild, legal ward or a child to whom the employee stands in loco parentis; an employee's biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child; spouse; registered domestic partner; grandparent; grandchild; and sibling) as defined in California Labor Code §§245.5 and 246.5, ~~or~~ for any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship, pursuant to the City of Los Angeles Sick Leave Ordinance No. 184320, Municipal Code Chap. XVIII, Art. 7, Section 187.04, or for a designated person. "Designated person" for the purposes of this policy is a person identified by the employee at the time the employee requests paid sick days. Employees will be limited to identifying one (1) designated person per twelve (12)-month period. Sick leave may also be used by employees who are the victims of domestic violence, sexual assault or stalking when they need time off to appear in legal proceedings or for medical treatment.
- 4.2 Employees requesting time off under this policy should provide as much advance notice to their supervisor as practicable.
- 4.3 Accrued, unused time under this policy is not paid out at the time of separation from employment or transfer to a position in which they become eligible for PTO. However, employees who are re-employed within a year of separation will have their accrued, unused bank of time off under this policy made available to them.
- 4.4 Sick leave under this policy may run concurrently with leave taken under other applicable policies as well as under local, state or federal law, including leave taken pursuant to the California Family Rights Act (CFRA) or the Family and Medical Leave Act (FMLA).
- 4.5 Sick leave is paid at the employee's base rate in effect at the time the Sick leave hours are used.
- 4.6 Employees may make either an oral request or submit a request through the automated time record system to use paid sick leave (Code: SICKAB1522) for a qualifying reason. For this policy, qualifying reasons include the diagnosis, care or treatment of an existing health condition for, or the preventive care of, an employee or an employee's family member or for any individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship, as well as employees who are the victims of domestic violence, sexual assault or stalking.



- 4.7** Employees must inform their supervisor in a timely manner if they did not use their previously approved sick leave. Employees must complete a Time Exception Report for adjustments after the time card has been approved and locked in the automated time record system.

**5.0 MONITORING:**

5.1 Human Resources shall review its policies routinely to ensure they are updated appropriately and have processes in place to ensure the appropriate required steps are taken under this policy

~~5.1 Human Resources will monitor the sick leave requirements in collaboration with L.A. Care's benefits broker and the legal department.~~

**6.0 REPORTING:**

**6.1** Any suspected violations to this policy should be reported to your Human Resources Business Partner or the Human Resources Department.

- 7.0** L.A. Care reserves the right to modify, rescind, delete, or add to this policy at any time, with or without notice.