

COMMUNICATION

TO: LOS ANGELES CITY COUNCIL

File No. 10-1627

**FROM: COUNCILMEMBER PAUL KORETZ, VICE-CHAIR
PERSONNEL COMMITTEE
and
COUNCILMEMBER GREIG SMITH, VICE-CHAIR
COUNCILMEMBER PAUL KORETZ, MEMBER
BUDGET AND FINANCE COMMITTEE**

COMMUNICATION FROM VICE-CHAIR, PERSONNEL COMMITTEE and VICE-CHAIR AND MEMBER, BUDGET AND FINANCE COMMITTEE relative to changes to the health care plans offered through the Civilian Modified Flexible Benefits (FLEX) Program.

Recommendations for Council action:

1. APPROVE the modifications to the civilian FLEX Program adopted by the Joint Labor Management Benefits Committee (JLMBC) on January 13, 2011, attached to the Personnel and Budget and Finance Committees' Communication, with an implementation date of July 1, 2011.
2. NOTE and FILE the joint report from the City Administrative Officer (CAO) and the Personnel Department dated October 15, 2010, inasmuch as the January 13, 2011 JLMBC action supersedes said report.

Fiscal Impact Statement: The CAO reports that the estimated annual savings to the City for a 12-month period is approximately \$14.3 million. There will be additional costs to conduct another open enrollment including consulting, printing, and staff costs. The Personnel Department will report back with an estimate of these costs, and the need for any additional funds, in the third Financial Status Report.

Community Impact Statement: None submitted.

Summary:

At a joint meeting held on January 19, 2011, the Personnel Committee Vice-Chair and the Vice-Chair and Member of the Budget and Finance Committee considered joint reports from the CAO and the Personnel Department dated January 14, 2011 and October 15, 2010 relative to changes to the health care plans offered through the civilian FLEX Program. The reports, attached to the Council file, provide additional information on this matter. During the discussion of this item, the CAO and Personnel Department representatives provided an overview of the proposed modifications to said program and responded to related questions. After additional discussion and providing the opportunity for public comment, the Personnel Committee Vice-Chair and the Budget and Finance Committee Vice-Chair and Member recommended that Council approve the modifications adopted by the JLMBC on January 13, 2011 and that the October 15, 2010 joint report from the CAO and the Personnel Department be noted and filed, as reflected above.

This matter is now submitted to Council for its consideration.

Respectfully submitted,

COUNCILMEMBER PAUL KORETZ, VICE-CHAIR
PERSONNEL COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
ZINE	ABSENT
KORETZ	YES
PARKS	ABSENT

COUNCILMEMBER GREIG SMITH, VICE-CHAIR
COUNCILMEMBER PAUL KORETZ, MEMBER
BUDGET AND FINANCE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
PARKS	ABSENT
SMITH	YES
HUIZAR	ABSENT
KORETZ	YES
ROSENDAHL	ABSENT

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ATTACHMENT
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- Not Official Until Council Acts -