



MICHAEL N. FEUER  
CITY ATTORNEY

REPORT NO. R 1 4 - 0 0 9 0

REPORT RE:

APR 0 1 2014

**DRAFT ORDINANCE AMENDING ARTICLE 5 OF CHAPTER 7 OF THE  
LOS ANGELES ADMINISTRATIVE CODE PERTAINING TO THE ADMINISTRATION  
OF EMPLOYEE BENEFITS PROGRAMS BY ADDING A NEW SECTION 4.310.1 TO  
PROVIDE ADMINISTRATIVE GUIDELINES AND A WAIVER PROVISION FOR THE  
DEPENDENT ELIGIBILITY VERIFICATION PROGRAM ADMINISTERED BY THE  
PERSONNEL DEPARTMENT**

The Honorable City Council  
of the City of Los Angeles  
Room 395, City Hall  
200 North Spring Street  
Los Angeles, California 90012

Honorable Members:

Pursuant to your request, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. This ordinance would amend Article 5 of Chapter 7 of the Los Angeles Administrative Code pertaining to the administration of employee benefits programs by adding a new Section 4.310.1 to provide administrative guidelines and a waiver provision for the dependent eligibility verification program administered by the Personnel Department.

Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to the City Administrative Officer (CAO). The CAO recommends adoption of this ordinance.

If you have any questions regarding this matter, please contact Senior Assistant City Attorney Zna Portlock Houston at (213) 978-7182. She or another member of this Office will be present when you consider this matter to answer any questions you may have.

Very truly yours,

MICHAEL N. FEUER, City Attorney



By

DAVID MICHAELSON  
Chief Assistant City Attorney

DM:ZPH:lh  
Transmittal

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Article 5 of Chapter 7 of the Los Angeles Administrative Code pertaining to the administration of employee benefits programs by adding a new Section 4.310.1 to provide administrative guidelines and a waiver provision for the dependent eligibility verification program administered by the Personnel Department.

**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. Article 5 of Chapter 7 of the Los Angeles Administrative Code is amended by adding a new Section 4.310.1 to read as follows:

**Sec. 4.310.1. Employee and Dependent Eligibility Verification and Waiver Provision.**

(a) The Personnel Department shall verify eligibility for any dependent enrolled in the employee benefits program and require employees to provide required documentation to establish dependent eligibility. Ineligible employees and dependents shall be terminated from employee benefits effective the date of ineligibility as determined by the Personnel Department.

(b) The Personnel Department shall administer on behalf of the City of Los Angeles, a dependent eligibility verification program, as authorized by the City Council, for employees and dependents enrolled in employee benefits programs.

(c) Upon finding by the Personnel Department during the designated dependent eligibility verification program period that an employee or employee dependents are ineligible to enroll in the employee benefits program or not entitled to a City premium subsidy, the Personnel Department shall terminate the ineligible employee or ineligible dependent from the employee benefits plan effective prospectively as established by the Personnel Department.

(d) Employees who fail to submit the dependent eligibility verification program required documentation for a dependent(s) by the verification deadline established by the Personnel Department shall be considered as ineligible dependents and terminated from the employee benefits plan effective prospectively as established by the Personnel Department.

(e) Employees who have ineligible dependent(s) removed from the employee benefits plan pursuant to Sections 4.310.1(c) and (d) shall be granted a waiver from collection of overpayment of City premium subsidy and any claims costs associated with covering an ineligible dependent(s). The waiver shall not apply to employees or dependents who received benefits coverage or City premium subsidies based on fraud or intentional misrepresentation of material fact.

Sec. 2. This ordinance shall be operative upon publication, pursuant to Charter Section 252(g).

Sec. 3. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of \_\_\_\_\_.

HOLLY L. WOLCOTT, Interim City Clerk

By \_\_\_\_\_  
Deputy

Approved \_\_\_\_\_

\_\_\_\_\_  
Mayor

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By Zna P. Houston  
ZNA PORTLOCK HOUSTON  
Senior Assistant City Attorney

Date 4-1-14

File No. \_\_\_\_\_