



**MEMORANDUM
HUMAN RESOURCES**
County of Placer

TO: Honorable Board of Supervisors **DATE:** November 9, 2021
FROM: Kate Sampson, Director of Human Resources
SUBJECT: Adoption of CalPERS Health Insurance Contribution Rates for Placer County
Law Enforcement Management Association Employees and Annuitants

ACTION REQUESTED

1. Adopt a resolution to establish the employer health insurance contribution for the Placer County Law Enforcement Management Association employees or annuitants hired on or before December 31, 2004.
2. Adopt a resolution to establish the employer contribution for public agency vesting under Section 22893 of the Public Employees' Medical and Hospital Care Act for the Placer County Law Enforcement Management Association annuitants hired on or after January 1, 2005.

BACKGROUND

On April 13, 2021, the Board of Supervisors (Board) adopted a resolution recognizing the Placer County Law Enforcement Management Association (PCLEMA) as the exclusively recognized employee organization for sworn classified law enforcement managers. This bargaining unit includes the classifications of Sheriff's Captain, Sheriff's Lieutenant, and Supervising District Attorney Investigator.

On August 31, 2021, the Board adopted a resolution approving the initial memorandum of understanding (MOU) with the Placer County Law Enforcement Management Association (PCLEMA). Terms of the MOU included employer health insurance contribution of 80 percent of the total premium for all plans for active employees or retired annuitants hired on or before December 31, 2004. Those PCLEMA annuitants hired on or after January 1, 2005, are subject to the CalPERS vesting contract provision contained in Government Code Section 22893.

The County contracts with CalPERS for employee and retiree health benefits which administers its plans under the Public Employee's Medical and Hospital Act (PEMCHA). PEMCHA requires the passing of a resolution adopting the employer health insurance contribution rates. This resolution implements the action taken by the Board to establish the employer health insurance contribution rates for PCLEMA employees and annuitants.

FISCAL IMPACT

The proposed resolution does not change the current County contribution made to employee benefits. The County contribution for active and retired employee health insurance is budgeted at the department level. Active employee contributions are recognized as a component of Employee Group Insurance, and retiree health insurance contributions are funded via Other Post-Employment Benefits (OPEB).

ATTACHMENTS

- Attachment 1 – Resolution to Adopt the CalPERS Employer Health Insurance Contributions for Placer County Law Enforcement Management Association Employees or Annuitants Hired on or before December 31, 2004.

- Attachment 2 – Resolution to Adopt the Employer Contribution for Public Agency Vesting Under Section 22893 of the Public Employees' Medical and Hospital Care Act for the Placer County Law Enforcement Management Association Annuitants Hired on or After January 1, 2005.

Before the Board of Supervisors County of Placer, State of California

In the matter of:

Establish the Employer Contribution Under the Public Employees' Medical and Hospital Care Act for the Placer County Law Enforcement Management Association Employees or Annuitants Hired on or Before December 31, 2004.

Resolution No.: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held November 9, 2021, by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, (1) County of Placer is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and

WHEREAS, (2) Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and

WHEREAS, (3) Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it

RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of:

Medical Group	Monthly Employer Health Contribution
Management/Confidential	No Change
Placer Public Employees Organization (PPEO)	No Change
Deputy Sheriff's Association (DSA)	80% of the full premium, not to exceed 80% PORAC Region 1 Basic/ Medicare/ Combination
Elected Officials	No Change
Placer County Law Enforcement Management Association (PCLEMA)	80% of the total premium (any plan, any region)

plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (b) County of Placer has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (c) That the participation of the employees and annuitants of County of Placer shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of the final Regulations pursuant to such Section. If it is determined that County of Placer would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to

terminate the health coverage of all participants of the employer; and
be it further

RESOLVED, (d) That the executive body appoint and direct, and it does hereby
appoint and direct, the Human Resources Director to file with the
Board a verified copy of this resolution, and to perform on behalf of
County of Placer all functions required of it under the Act; and be it
further

RESOLVED, (e) That coverage under the Act be effective on January 1, 2022.

Adopted at a regular meeting of the Placer County Board of Supervisors at Auburn,
California this 9th day of November, 2021.

Before the Board of Supervisors County of Placer, State of California

In the matter of:

Adopting the CalPERS Employer Contribution for Public Agency Vesting Under Section 22893 of the Public Employees' Medical and Hospital Care Act for Placer County Law Enforcement Management Association Annuitants Hired on or After January 1, 2005.

Resolution No.: _____

The following Resolution was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held November 9, 2021, by the following vote:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chair, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, (1) County of Placer is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act"); and

WHEREAS, (2) Government Code Section 22893 provides that a contracting agency subject to the Act the may file a resolution with the Board of the California Public Employees' Retirement System to provide a postretirement health benefits vesting requirement to employees who retire for service in accordance with Government Code Section 22893; and

WHEREAS, (3) County of Placer certifies, some or all employees are represented by a bargaining unit and there is an applicable memorandum of understanding; and

WHEREAS, (4) The credited service of an employee for purposes of determining the percentage of employer contribution applicable under Government Code Section 22893 shall mean service as defined in Government Code Section 20069, except that not less than five years of that service shall be performed entirely with the County of Placer; and

WHEREAS, (5) The employer contribution for active employees cannot be less then what is defined in Government Code Section 22892(b); now, therefore be it

RESOLVED, (a) That employees first hired on or after January 1, 2005 shall be subject to the requirements defined in Government Section 22893, except that the employer may, once each year without discrimination, allow all employees who were first employed before Government Code Section 22893 became applicable to the employer to individually elect to be subject to the provisions of Government Code Section 22893, and the employer shall notify the Board which employees have made that election; and be it further

RESOLVED, (b) That the employer contribution for each annuitant subject to vesting shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of:

Medical Group	Monthly Employer Health Contribution for Vesting
Placer County Law Enforcement Management Association (PCLEMA)	80% of the total premium

but not less than the amounts prescribed by Section 22893(a)(1), plus administrative fees and Contingency Reserve Fund assessments; and be it further

RESOLVED, (c) That the percentage of employer contribution payable for post-retirement health benefits for each annuitant shall be based on the

employee's completed years of credited service based upon the table in Government Code Section 22893; and be it further

RESOLVED, (d) County of Placer has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further

RESOLVED, (e) That the participation of the employees and annuitants of County of Placer shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that County of Placer would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees' Retirement System may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further

RESOLVED, (f) That the executive body appoint and direct, and it does hereby appoint and direct, Human Resources Director to file with the Board a verified copy of this resolution, and to perform on behalf of County of Placer all functions required of it under the Act; and be it further

RESOLVED, (g) That coverage under the Act be effective on January 1, 2022.

Adopted at a regular meeting of the Placer County Board of Supervisors at Auburn, California this 9th day of November, 2021.