

Live Well. Health Matters.

Date: May 13, 2019

To: Board of Directors

From: Monica Suua, Chief Financial Officer

Subject: BCHD Health Insurance Premium Payments for Board Members
(Review and recommend approval for Approve Policy Number 2230 to provide and authorize payment for group health benefits for District Board Members that are the same as those offered to District employees and at a cost not to exceed the amount paid by the District for health insurance for its employees under the qualified Cafeteria Plan, to be effective January 1, 2020)

On April 29, 2019, the BCHD Finance Committee reviewed and recommended approval to the Board the District's FY19-20 Budget that included \$35,000 for payment of 6 months of Health Insurance for its elected Board Members, effective January 1, 2020.

Per California Government Code Section 53201, the District can offer to pay health insurance for its elected and appointed Board Members for all or a portion of the premiums for the same health insurance plans offered to District employees under the following conditions:

- 1) The District payment cannot exceed cost of the health insurance premium,
- 2) The District payment cannot exceed any benefit provided its employees,
- 3) The elected and appointed official must formally (in writing) authorize the District to make the payment for the health insurance premium on their behalf,
- 4) The elected and appointed official must formally (in writing) authorize the District to deduct from their compensation to cover any shortfall of portion of the health insurance premium not paid by the District.
- 5) The elected and appointed official must formally (in writing) agree to cover any shortfall of portion of the health insurance premium not covered by their compensation and not paid by the District.

The District recommends paying Board Members' health insurance premium at the same rate provided its employees under the qualified Cafeteria Plan adjusted annually. 2019 Reimbursement Table is shown below:

Plan Election	2019 District Payment Per Month
Self	\$ 680
Self + 1	\$ 1,250
Self + Family	\$ 1,440

The Board Member can elect coverage, or no coverage of medical benefits set forth per the District policy no. 2230 – Health Benefits for District Board Members. If no coverage is elected, no payment in-leu of health coverage will be made.

Please find following this memo an updated Policy No. 2230 to include the District's recommendation to start paying, effective January 1, 2020, for elected and appointed Board Members' health insurance at the same monthly rate offered to its employees.

Action Item:

Review and recommend approval for the elected and appointed BCHD Board Members to authorize the District to start paying for Health Insurance effective January 1, 2020 at the same rate provided its employees.