

METROPOLITAN LIBRARY COMMISSION OF OKLAHOMA COUNTY

ADMINISTRATIVE & PERSONNEL COMMITTEE AGENDA

Members: Dr. Ann Caine, Chair
Carolyn Cornelius
Shirley Pritchett
Marguerite Ross

Tuesday, May 9, 2006 at 3:30 p.m.
Belle Isle Library
5501 N. Villa
Oklahoma City, OK 73112
Telephone: (405) 843-9601

NOTE: Comments from the general public will be limited to 15 minutes with time prorated among speakers. Preference will be given to residents of Oklahoma County. Persons signing up to address the committee must list their residential address and personally sign a speaker form.

- I. Call to Order and Establishment of Quorum – Dr. Ann Caine, Chair
- II. Annual Review of Human Resources – Salaries and Benefits
With Reports and Recommendations from Administration:
 - ❖ Compensation & Benefit Plans
- III. Discussion, Consideration, and Possible Action: Report and Recommendations from Administration ~ Revisions to MLS Policy & Procedure Manual

Cc: Metropolitan Library Commission
MLS Administrative Team
MLS Managers and Supervisors
President, MLS Staff Association

REPORT AND RECOMMENDATION FROM ADMINISTRATION

MLS SALARIES & BENEFITS FY 2006-07

RECOMMENDATIONS FROM ADMINISTRATION:

The Administration recommends the following:

Compensation:

A merit increase schedule of from 0% to 3%, effective July 1, 2006.

A market adjustment of 3% for all employees, effective with the beginning of the pay period that includes January 1, 2007.

Benefits:

Acceptance of a zero percent rate increase in the long term disability insurance and a new renewal date of July 1, 2006;

Continue with Sun Life Assurance Company at the same premium rate for life and accidental death and dismemberment (life and AD&D) insurance;

Acceptance of a rate decrease for the employee assistance program to \$2.00 per employee per month by changing the provider to Integrus Corporate Assistance Program;

Continuing with the current vision care provider, with no changes in rates or coverage;

Acceptance of the rate increase of zero percent for the self funded Employee Benefit Plan, amending the plan by: (1) eliminating the Pre-existing Conditions provision under the Dental Coverage; (2) increasing the Chemical Dependency Lifetime; and (3) adding a Nurse Advice Line at a cost of \$0.75 per employee per month.

Acceptance of a \$0.50 per month per participating employee increase in the administrative service fee of the third party administrator;

Continuing with the current PPO network provider, PPO Oklahoma/CCN Network, with no change in access fee;

ADMINISTRATIVE & PERSONNEL COMMITTEE ACTION:

If in agreement with these recommendations, the Committee action would be to recommend that the Finance Committee incorporate the funds for the above recommendations into the FY 2006-07 budget and that the Commission, by approval of the estimate of needs, approve the plan changes in accordance with the funding level.

METROPOLITAN LIBRARY SYSTEM
ANNUAL REVIEW OF HUMAN RESOURCES - SALARIES AND
BENEFITS
May 2006

The Library System provides a salary and benefits package intended to attract and retain the excellent quality of employees that our customers have come to expect and deserve. The salaries are reviewed annually using information from salary surveys conducted by other libraries, information from the Oklahoma Employment Security Commission, and information gathered by MLS Human Resources Office staff. Benefits are also reviewed annually by the Human Resources Office staff and compared with benefits information received through national publications and from other libraries.

SALARIES

The library system, like so many public service organizations, is very labor intensive. It provides a service to the public, generally free of charge, and in order to provide the level of service that is expected by its customers, it requires a large staff which in turn results in high overall salaries, wages and benefits expenditures (the 100 accounts within the budget).

Each December, the library calculates the average salary and benefits' cost for full-time employees based on the salaries and benefits being received in that month.

Based on the December 2005 report, the average full-time employee made \$37,190.40 annually which represents a 3.9 percent increase above December 2004. This average excludes the Executive Director and the Coordinator of the Friends (whose salaries are set by the Library Commission and the Friends' Board respectively). The 3.9 percent increase is for the average full-time and designated half-time, three-quarter's time, etc. employee's annual. It is important to remember, however, that the average salary is effected by such things as the resignation of an employee who has been with the system for a number of years being replaced by a new employee starting at the beginning of the pay range (at a lower salary) and newly authorized positions with a beginning salary below the average.

Through the classification plan all full-time positions (again excluding the Executive Director and the Coordinator of the Friends) are assigned to one of thirteen salary grades, each of which has a minimum salary and a maximum salary (the salary range). Assignment to a grade is determined by a point factoring analysis of each job (through the job description). Positions are reviewed and evaluated on specific factors. This evaluation system has eight factors which are:

- Knowledge Required by the Position
- Decision Making
- Complexity

- Scope and Effect
- Significance and Purpose of Contacts
- Physical Demands
- Work Environment
- Supervision Exercised

Point factor job evaluation ensures that each position is fairly valued on each factor in relationship to the value of every other position. The end result of job position evaluation is the development of a "job worth hierarchy" which reflects the contributions and importance of all evaluated positions. This job worth hierarchy is one measure which is used together with competitive market data to establish internally fair and externally equitable pay levels.

With the classification plan in place using this method, the internally fair portion of the overall compensation plan is established. The externally equitable portion is based on a comparison of closely similar positions in like organizations. For this, salaries are compared using the position of librarian. Twenty-one percent of the Library System's workforce holds the job title of Librarian. This percentage does not include positions such as Assistant Library Manager, Library Manager, Cataloger, Materials Selectors who are also professionally librarians, but who have supervisor or specialty duties and different job titles. Librarians generally have similar qualifications and duties in libraries of comparable size to our system.

Shown below are comparisons for Oklahoma Department of Libraries (ODL), Tulsa City-County Library System (TCCL), Pioneer Multi-County Library System (PMC) and Metropolitan Library System (MLS) and reflects information gathered during the last week of April 2006.

LIBRARIAN

Library	Salary Range	
	Minimum	Maximum
ODL (Lib. II)	27,893	46,716
TCCL	31,266	45,298
MLS	33,092	46,488
PMC	33,756	48,132

Because the minimum salary is the starting salary in the hiring process and, therefore, is the basis of the Library System's ability to attract new librarians, it is important to concentrate on that figure.

Since the Administrative & Personnel Committee meeting of May 5, 1994, the Library System has stated, as a goal, that it was desirable to be the leader in-state among the four major public library employers. For the last five years, this goal has not been met.

For librarian salary trends nationally, the library system for many years has relied on the annual salary survey conducted by Allen County Public Library (Fort Wayne, Indiana).

Allen County did not conduct their survey in 2004, however, it did so in 2005. MLS was again a participant in the survey and received the results. The Metropolitan Library System's average librarian salary was approximately 11.8% below the national average, a loss of .3% from the previous 11.5% in 2004.

SALARIES FOR FY 2006-07

Based on the survey data, the predicted trends and the library's financial situation, the administration has included in the estimate of needs (preliminary budget) for FY 2006-07 a market adjustment of 3 percent for all employees (full and part time) effective with the start of the pay period that includes January 1, 2007, and a merit increase schedule ranging from 0 to 3 percent beginning July 1, 2006.

BENEFITS

The following chart indicates the direct cost benefits available to full-time employees and those available to part-time (less than full-time) employees.

<u>Benefit</u>	<u>Full-time</u>	<u>Part-time</u>	<u>Library Pays</u>	<u>Employee Pays</u>
Social Security	x	x	6.2%	6.2% of salary
Medicare	x	x	1.45%	1.45% of salary
Retirement	x		10%	4% of salary
Medical/Dental Ins	x			
Employee only			90%	10% of premium
Dependents			70%	30% of premium
Opt-outs			\$55 contribution to Flex Plan	
Life and AD&D Ins	x		100%	of premium
Long-term Disability Ins	x		100%	of premium
Vision Ins	x		100%	of premium
Dependents	x			100% of premium
Short-term Disability Ins	x			100% of premium
Workers' Compensation Ins	x	x	100%	of premium
Unemployment	x	x	100%	of premium
Employee Assistance (EAP)	x	x	100%	of premium

The Library System's cost of benefits for the average employee in December 2005 was \$12,766.20. This average again excludes the Executive Director and Coordinator of the Friends.

This average cost of benefits to the Library System is broken down as shown below.

<u>Benefit</u>	<u>Annual Cost</u>	<u>Percentage of Total</u>	<u>Dollar Change from Prior Year</u>
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Social Security	\$2,305.80	18.06%	\$ 86.40
Medicare	539.26	4.22%	20.21
Retirement	3,719.04	29.13%	-3,959.37
Med/Dent Ins & Opt-outs	5,210.37	40.81%	-368.79
Life and AD&D Ins	123.12	0.96%	13.50
Long-term Disability Ins	357.03	2.80%	13.38
Vision Ins	126.58	0.99%	1.34
Dependents	-0-	-0-	
Short-term Disability Ins	-0-	-0-	
Workers' Compensation Ins	325.97	2.55%	-19.68
Unemployment Ins	26.03	0.20%	-6.19
Employee Assistance (EAP)	33.00	0.26%	3.00
TOTAL	\$12,766.20		

Social Security, Medicare, workers' compensation insurance and unemployment are governmentally mandated benefits. These four items represent \$3197.06 of the total benefits cost or 25 percent.

EMPLOYEE BENEFIT COST TRENDS:

2006 Segal Health Plan Cost Trend Survey:

2006 will mark the third consecutive year of lower projected trend rates for medical plans. Nonetheless, these latest estimates of medical plan trends are three to four times the rate of general inflation.

Cost trend increases for *Preferred Provider Organization (PPO) Medical Plans*:

- with Prescription Drugs – 12.7%, down from 13.1% in 2005;
- without Prescription Drugs – 12.4%, down from 12.6% in 2005.

Increases in projected trend rates for *medical services* and *prescription drugs* continue to decline from peak levels observed in recent years.

Trends for *prescription drug coverage* are projected to decelerate most in 2006 to levels that are closer to medical coverage. The average trend projection for prescription drug coverage as a *stand-alone coverage* is 13.8%. The projected trend for biotechnology or specialty drugs is increasing at a rapid rate; 21.6% in 2006.

In 2006, *dental* trend rates are projected to decline modestly compared to 2005 forecasts.

Aon Consulting Fall 2005 Health Care Trend Survey:

1. Forecasted trend increase for Preferred Provider Organization (PPO) Medical Plans with Prescription Drugs - 13.0% (14.2% Spring 2004)

2. Forecasted trend increase for Indemnity Dental Plans – 7.6% (7.7% Spring 2004)
3. Forecasted trend increase for Vision Plans – 4.0% (3.9% Spring 2004)
4. Forecasted trend increases for Pharmacy (as a *stand-alone coverage*):
 - a. General – 11.8%
 - b. Specialty – 19.0%
5. The medical trend rate is more than three times the August 2005 increase in consumer price index for all urban consumers (CPI-U) of 3.6%.

Mercer National Survey of Employer-Sponsored Health Plans 2005:

1. Medical cost increases in 2005:
 - a. Average Total Cost of Health Benefits Per Employee - \$7,089*
 - b. Annual change in average total health benefit cost per employee - 6.1% (7.5% 2004).

* Average cost per employee for PPO - \$6,480
2. Expected medical cost increases in 2006:
 - a. Annual change in average total health benefit cost per employee – 6.7%
3. Annual cost for Dental per employee in 2005 - \$600
4. Prescription Drug benefit cost trend in 2005 – 11.5%

Towers Perrin 2006 Health Care Cost Survey

1. Employers expect, on average, an 8% increase in health care costs in 2006.
2. The 2006 projected health care annual total cost per employee is \$8,424.

BENEFITS FOR FY 2006-07

Medical/Dental and Prescription Drug Plan (Employee Benefit Plan)

Stop Loss Coverage:

There were eight carriers this year that provided quotes for the Library System's Stop Loss business. The average increase from the initial offers was 5.37% (for the current Specific Deductible level of \$45,000); current trend is 13.0%. In addition, four carriers offered \$50,000 Specific Deductible options with an average increase of 1.79%.

Following is the criteria used in evaluating the proposed vendors:

1. Requested that carriers propose a 24/12 Contract Basis – one out of the eight carriers quoted; incumbent carrier offered Paid contract.
2. Reviewed financial strength ratings of two carriers offering Paid and 24/12 contracts respectively and carrier offering 18/12 contract with five major rating services (e.g. A.M. Best, Standard & Poor's, Moody's Investors, Fitch Ratings and Weiss Rating, Inc.)
3. Requested Stop Loss claims processing experience from Third Party Administrator (e.g. ease of administration; timeliness of refunds; comprehensiveness of audit procedures, etc.).

4. Requested Specific Deductible review to determine appropriateness of increase in coverage level.
5. Assessed overall cost competitiveness based on current Maximum Liability.

After evaluating the carriers and providing updated claims experience for 10 months, two carriers were selected as potential vendors.

After applying the evaluation criteria, comparing proposed limitations and valuing the additional coverage provided by a Paid contract, HCC Life Insurance Company provided the best offer with an overall increase in the Maximum Liability of 5.64%.

Benefit Plan Changes:

1. Currently, the Dental Coverage includes a Pre-existing Conditions provision, which disallows any continuation in treatment for a condition diagnosed prior to the member's coverage effective date. It appears that this stipulation was used as a cost control mechanism when the Plan initially went self-funded. The Library System now has eleven years of claims history for dental, which allows for more accurate claim cost projections. In addition, dental benefits are subject to an annual maximum benefit.
2. The current Lifetime Maximum for Chemical Dependency (in and outpatient) is \$15,000. Based on current statistics, an average inpatient stay for treatment is 28 days at \$1,000 per day.

Note: neither of the proposed changes will impact the Stop Loss offer.

3. Consumerist strategies are predicted to be the most effective tools in battling health care cost inflation. According to the Mercer National Survey of Employer-Sponsored Health Plans, 64% of large employers offer a Nurse Advice Line, up from 59% in 2004. Advice lines provide proactive service that leads to fewer emergency room and physician visits, resulting in reduced costs.

Prescription Drugs:

Based on the benefit design changes and addition of the Specialty Pharmacy and multi-faceted retrospective review programs last year, prescription drug costs are on target to decrease 18.3% or \$109,335.05 over the prior year (projected cost savings for the design changes - \$26,000). Currently, prescription drugs represent on average 28% of the total monthly paid claims for the Employee Benefit Plan; the industry average is 18%.

Following are the three main reasons identified as contributing factors to the continued above average cost of this benefit:

- Inflation
- Utilization Changes Due To Aging Population (16.21 prescriptions per member per year (PMPY); prior year 17.62; industry standard 9 - 12 prescriptions PMPY)
- Drug Intensity (availability of new, more expensive drug therapies)

Preferred Provider Organization (PPO):

The current PPO vendor, *PPO Oklahoma/CCN Network*, is one of the nation's largest seamless networks, offering access to 2.3 million people. The Library's members have unlimited and extended network access to all 50 states, plus the District of Columbia.

Life/Accidental Death & Dismemberment Insurance:

The Library System received a two year rate guarantee last fiscal year from Sun Life Assurance Company.

Long Term Disability Insurance:

Currently, UnumProvident is the insurance carrier for the Library System's Long Term Disability program. The renewal date for the policy is September 1, 2006. To mirror the Library System's budget year, UNUMProvident has agreed to change the anniversary date for the policy to July 1, 2006, with no rate increase for the forthcoming plan year.

Vision Insurance:

The current vendor for vision insurance, Vision Service Plan (VSP), provided the Library System with a two year rate guarantee last year.

Employee Assistance Program (EAP):

The Library System has sponsored an Employee Assistance Program (EAP) through A Chance To Change Foundation at a cost of \$2.75 per employee per month (PEPM) since July 2002. The total annual cost to the Library System is approximately \$13,464.00 (based on 408 lives reported in May 2006). The vendor is proposing no change in services or rates for the forthcoming year.

Since the current vendor has been in place for three years, the Library System contacted Integris Corporate Assistance Program (CAP) for a proposal. Note: there are a limited number of Oklahoma City based EAPs; CAP offered services comparable with the current provider.

CAP's proposal includes the following services:

- Assessment – Via Telephone or Face-to-Face
- Treatment (Short-term counseling; referrals to professional sources for long-term counseling or intensive treatment)
- Progress Monitoring
- Critical Incident Stress Management Sessions (at the Library's request for an additional cost)

Additional CAP Services (not offered through the current vendor):

- 24-hour HELPLINE (Crisis Intervention/Stabilization)
- Quarterly Newsletter for Distribution to Employees
- Annual Supervisor Training and Employee Orientation
- CD Highlighting CAP Services for Staff Viewing
- Wallet Card and Brochure for Each Employee
- Website Access To Additional Resources and Education

CAP is proposing the above services to Library employees and their families at a rate of \$2.00 PEPM, resulting in a total annual cost to the Library System of \$9,792.00 (based on 408 lives reported in May 2006); annual savings to the Library System - \$3,672.00.

Workers' Compensation:

Current Workers' Compensation Carrier	CompSource Oklahoma
Current Policy Period	October 1, 2005 through September 30, 2006
Current Experience Modification Factor	1.09 (prior year 1.26)

RECOMMENDATIONS

The administration requests that the Administrative and Personnel Committee recommend to the Finance Committee for inclusion in the FY 2006-07 Budget the following:

1. A merit increase schedule of from 0 to 3 percent effective July 1, 2006 (no change from FY 2005-06).
2. A market adjustment of 3 percent for all employees effective with the beginning of the pay period that includes January 1, 2007.
3. A zero percent rate increase in the long term disability insurance with a changed renewal/anniversary date of July 1, 2006.
4. Continue with Sun Life Assurance Company for the Life/AD&D coverage at \$0.18 per \$1000 to renew July 1, 2007.
5. Change the EAP provider to Integris Corporate Assistance Program, at a rate reduction from \$2.75 to \$2.00 per employee per month, for the policy year of July 1, 2006 to June 30, 2007.
6. Continue with the current vendor for vision insurance, VSP, with no changes in rates or coverage for the next policy year – July 1, 2006 through June 30, 2007.

7. Acceptance of the stop loss coverage for the Employee Benefit Plan through HCC Life Insurance Company for a \$50,000 specific stop loss, Paid contract effective July 1, 2006 through June 30, 2007.
8. Acceptance of a \$0.50 per month per participating employee administrative service fee increase from the current third party claims administrator for the Employee Benefit Plan.
9. Continue with PPO Oklahoma/CCN Network for Plan Year July 1, 2006 through June 30, 2007.
10. The modifications/changes in the Employee Benefit Plan, including the deletion of the Dental Coverage Pre-existing Conditions provision and an increase in the Chemical Dependency Lifetime Maximum, as outlined previously in this report.
11. The addition of a Nurse Advice Line, offered through the current third party administrator, sponsored by American Health Holding, at a rate of \$0.75 per employee per month. The additional cost will be paid from the available fund balance.
12. The following Employee Benefit Plan premium costs reflecting a zero percent increase to the employee and the library system after applying the available fund balance. (No change in the current cost sharing formula.)

<u>Library's Share of Monthly Premiums</u>			
(approximately 90% of single coverage & 70% of additional cost for dependents)			
	<u>FY 05-06</u>	<u>FY 06-07</u>	<u>Change</u>
Single Coverage	\$428.37	428.37	\$0.00
Additional Cost for Dependents	<u>276.70</u>	<u>276.70</u>	\$0.00
Total Cost for Both	\$705.07	\$705.07	\$0.00

<u>Employee's Share of Monthly Premiums</u>			
(approximately 10% of single coverage & 30% of additional cost for dependents)			
	<u>FY 05-06</u>	<u>FY 06-07</u>	<u>Change</u>
Single Coverage	\$ 47.60	\$ 47.60	\$0.00

Additional Cost for Dependents	<u>118.60</u>	<u>118.60</u>	\$0.00
Total Cost for Both	\$166.20	\$166.20	\$0.00

<u>Total Monthly Premiums</u>			
	<u>FY 05-06</u>	<u>FY 06-07</u>	<u>Change</u>
Single Coverage	\$475.97	\$475.97	\$0.00
Additional Cost for Dependents	<u>395.30</u>	<u>395.30</u>	\$0.00
Total Cost for Both	\$871.27	\$871.27	\$0.00

REPORT AND RECOMMENDATION FROM ADMINISTRATION

REVISIONS TO METROPOLITAN LIBRARY SYSTEM POLICY AND PROCEDURE MANUAL

MLS Policies contained in the Policy and Procedure Manual, Stewardship of Human Resources periodically require updating as a result of decisions made by the Library Commission, changes in federal and state laws and regulations, and the necessity to operate the library system in a more efficient and effective manner. The proposed changes contained in this document cover one or another of these requirements.

The administration recommends for your consideration several changes in the Commission adopted policies, which along with administrative adopted procedures, provide the administration and staff the guidance necessary to allow all similarly situated employees to be treated equally and fairly.

We have brought to you proposed changes in the SH – Stewardship of Human Resources:

1. SH 210 - Retirement Policy
2. SH 220 - Employee Leave Policies
3. SH 520 - Grievance Policy
4. SH 550 - HIPAA Privacy Rules
5. SH 320 - Loyalty Oath (new policy)

ADMINISTRATIVE & PERSONNEL COMMITTEE ACTION:

To approve the recommendations from Administration for the revisions and additions to the Metropolitan Library System Policy & Procedure Manual, SH 210 Retirement Policy; SH 220 Employee Leave Policies; SH 520 Grievance Policy; SH 550 HIPAA Privacy Rules; and SH 320 Loyalty Oath with an effective date of July 1, 2006.

SH 200 Benefits
SH 210 Retirement Policy
Revised: 5/88, 12/02, Draft 7/06

The Metropolitan Library System Pension Plan (the Plan) was established in 1969 under Section 560, Title 65 of Metropolitan Library Act and is managed by a self-insured trust. The purpose of the Plan is to give long-term library employees a retirement income over and above the Social Security Retirement Pension. In 1998, the Internal Revenue Service (IRS) issued a favorable determination letter recognizing the Plan as a governmental plan. Therefore, the Plan is not subject to the provisions of Employee Retirement Income Security Act of 1974 (ERISA), nor are benefits insured or guaranteed by the Pension Benefit Guaranty Corporation (PBGC).

On March 28, 1983, The Metropolitan Library Commission appointed a Board of Administrators for the Plan (Library Retirement Pension Board). The Pension Board has the responsibility for the management of the Pension Fund and has the responsibility for reviewing the Plan and reporting on its status to the Library Commission annually. The Pension Board consists of the three officers of the Library Commission and three designated Library System staff positions.

The library system operates two retirement plans: a Defined Benefit plan for those individuals who were under said plan prior to August 29, 2005 and opted to remain under the Defined Benefit plan. The second plan, a Defined Contribution plan, became effective on September 1, 2005 for all newly hired full-time employees and for those who opted to change from the Defined Benefit plan.

The operations of both plans are controlled by the plan documents adopted, and from time-to-time as may be amended, for each of the plans as determined by the Board of Administrators for the Plan (Library Retirement Pension Board).

For Both Plans:

1. Employees eligible for participation in the Plans are those who are normally scheduled to work 40 hours per week in a salaried position. The participation of eligible employees is mandatory.
2. An employee is 100% vested to the Plans after five years of credited services.
3. The Plans offer several options regarding retirement date: normal retirement at age 65 with vested interest; early retirement at age 50 with at least 20 years credited service or age 62 with 5 years of service; late retirement at any age after 65 with vested interest.

For Defined Benefit Plan:

1. The normal monthly retirement benefit will be 2.5% of an employee's Average Monthly Earnings multiplied by years of credited service up to a maximum of 32 years. "Average Monthly Earnings" means the average of the employee's highest 60 consecutive completed calendar months of employment by the Library System
2. The early retirement benefit will be the greater of the actuarial equivalent of the employee's accrued benefit at normal retirement date or the aggregate value of the employee's participant contributions plus interest credited.
3. The late retirement benefits will be the greater of: (1) the normal retirement pension determined under the Plan, taking into account Service and Compensation credited after Normal Retirement Age; or (2) the Accrued Benefit, determined as of the later of Normal Retirement Age or the end of the prior Plan Year, actuarially adjusted for late retirement.

SH 500 Rights of Employees
SH 520 Grievance Policy
*Adopted: 2/81, Revised 12/02, **Draft 7/06***

Purpose

It is the purpose of the Grievance Policy and Procedure to assure employees that their work-related problems or disagreements shall be considered fairly and without undue delay, and that any employee who presents a complaint in good faith shall be free from restraint or reprisal. The policy is designed primarily to promote reaching the right decision rather than determining who is "right" or who is "wrong."

Policy and Procedure

All full-time and designated part-time FTE (i.e., one-half time, three-fourths-time, four-fifths-time, etc. and budgeted in Account 101) employees with at least six months' service in the system shall have the right to appeal through the proper grievance channels on matters which directly affect them. Personnel actions such as pay increases, promotions, demotions, performance evaluations, transfers, suspensions, terminations and reprimands may be subjects for appeal.

If the grievance concerns a termination, the affected individual's employment status with the library system will be terminated. However, if the final decision in the grievance procedure is rendered in favor of the grievant, the individual shall be reinstated with no loss of salary, fringe benefits or seniority to that employee as follows:

- (1) The individual opted for continuation of coverage under COBRA, made timely premium payments as required by COBRA, and returns to "actively at work" status within the eighteen (18) months of COBRA eligibility, the individual will be reinstated to the Employee Benefit Plan and other such insurance plans as may be provided by the library system. The library's share of insurance premiums will be reimbursed to the individual only if the final decision favors reinstatement of the grievant.
- (2) If the individual opted not to have COBRA continuation of coverage, for whatever reason, or failed to make timely premium payments as required by COBRA, the reinstated employee will be treated as a new hire and subject to all provision of the Employee Benefit Plan for new employees.

SH 200 Benefits

SH 220 Employee Leave Policies

Revised: 12/02, Draft 7/06

Summary of Leave Privileges and Qualifications Per Type of Leave and Category of Employee

Administrative Leave with Pay – All Employees

The Executive Director, or the designated Deputy Executive Director in the director's absence, may place an employee on an Administrative Leave with pay when the need for such is a result of (1) a need to conduct an investigation of possible wrong doing on the part of the employee, or (2) a need in the Due Process Procedure for the absence of the employee pending a Due Process hearing under the policy established for same within the adopted Policies of the Metropolitan Library Commission. In no case, shall such Administrative Leave with pay exceed thirty (30) work days.

Sick Leave

Category One (1) Employees

Eligibility Period: upon employment

Earnrate: 10 hours per month for Category 1 employees

Note 5: When an employee is unable to report for work because of illness or other allowable Sick Leave usage, the employee, or someone on his/her behalf, must call the immediate supervisor or person-in-charge at his/her work site or agency, if possible, at least thirty (30) minutes prior to the employee's scheduled start of work.

Category Three (3) Employees

CATEGORY 3 EMPLOYEES ARE NOT ELIGIBLE FOR SICK LEAVE; however, Category 3 employees are subject to the same call-in provisions as stated in Not 5 for Category 1 employees.

Military Leave

Category One (1) Employees

Eligibility Period: upon employment

Note 3 Reserve or National Guard members, when ordered to active duty, are entitled to leave with pay for the first thirty (30) calendar days per each federal fiscal year of the tour of active duty.

Note 4: The employee must notify his or her supervisor verbally or in writing as far in advance as possible of the call-up or orders. It is preferred, but not required, that a copy of the Reservist's or National Guard member's orders be forwarded to the Human Resources Office in advance.

SH 500 Rights of Employees SH 550 Health Information Privacy Policy *Adopted: 4/04 Draft 7/06*

Background and Purpose

In 1996, the United States Congress passed the Health Insurance Portability and Accountability Act that required the U.S. Department of Health and Human Services, Office of Civil Rights Compliance to adopt Privacy Rules regarding the use of Personal Health Information. These rules became effective upon small employers, medical providers and medical plans, like the Library System's, on April 14, 2004.

The primary purpose of the Privacy Rules is to protect all "individually identifiable health information" held or transmitted by a covered entity or its business associates, in any form or media, whether electronic, paper, or oral. The library falls under the "covered entity" definition because of the self-funded medical/dental plan and the flexible benefits plan and to a lesser extent because of the vision insurance plan and the Employee Assistance Program. These four plans make up the "organized health care arrangement" of the Library System. Provisions to accomplish this purpose are far reaching and impose strict standards with considerable violation penalties.

Definitions

Individually identifiable health information is information, including demographic data that relates to:

- the individual's past, present or future physical or mental health or condition,
- the provision of health care to the individual, or
- the past, present, or future payment for the provision of health care to the individual, and that identifies the individual or for which there is a reasonable basis to believe can be used to identify the individual. Individually identifiable health information includes many common identifiers (e.g., name, address, birth date, Social Security Number, etc.).

Policies

1. Employees, volunteers, business associates and the Library System are prohibited from knowingly or intentionally releasing any individually identifiable health information about another employee, employee's dependent or volunteer, except under circumstances authorized in the Privacy Rules.
2. Any employee who does so will be subject to disciplinary action ranging from significant incident documentation up to and including termination of employment. Any volunteer who does so will be subject to sanctions up to and including discontinuance of their volunteer service. Any business associate who does so will be subject to sanctions up to and including the termination of their services or non-renewal of their service contracts or agreements.

3. Protected health information cannot be used by the Library System, its managers and/or supervisors to impact the hiring of applicants or the promotion or termination of employees.
4. When reporting an absence for sickness or for a doctor or dental appointment, an employee is not required to identify the nature of their illness, injury or physical or mental condition to their supervisor. The supervisor can only request the anticipated duration of the absence and, upon the employee's return to work, if there are any restrictions or limitations.
5. If information is provided to the supervisor or to another employee for the purpose of relaying the information to the supervisor, the information must be treated as confidential unless the employee provides prior written consent on a case-by-case basis. A spouse, family member, etc. cannot give consent for the employee and an employee cannot give consent to release information on a spouse, or other relative, except for a minor child.
6. In instances when an employee believes that the absence is protected under the Family and Medical Leave Act (FMLA), the employee should call the Human Resources Office to have a determination made and to obtain information as to what documentation will be required. When such documentation is obtained, it should be only shared with individuals in the Human Resources Office.
7. Workers' compensation illnesses and injuries, limited public health issues, and employment records held by the Library System in its role as employer are not subject to the full scope of the Privacy Rules.
8. All notices, procedures, practices, actions, records and/or forms required by the Privacy Rules will be developed, implemented and incorporated into a compliance/operating manual which will be updated as required.
9. The library commission, will designate a HIPPA Privacy Compliance Officer, (Benefits Manager) HIPAA Security Officer-Electronic Media (Deputy Executive Director for Information Technology), and HIPPA Security Officer – Physical Property (Director of Human Resources).

In any circumstance in which this policy and the Privacy Rules of the Health Insurance Portability and Accountability Act are in conflict, the Act pre-empts this policy.