



NOTICE OF SPECIAL BOARD MEETING OF
THE UPPER SAN JUAN HEALTH SERVICE DISTRICT
d/b/a PAGOSA SPRINGS MEDICAL CENTER
Thursday October 13, 2022, at 5:00 PM
The Board Room (direct access – northeast entrance)
95 South Pagosa Blvd., Pagosa Springs, CO 81147

**FOR INFECTION CONTROL, IN-PERSON ATTENDANCE WILL BE LIMITED
AND SUBJECT TO PSMC'S MASKING POLICY**

Please use this link to join the meeting:
<https://us02web.zoom.us/j/88304467907>
or telephone (346)248-7799 or (669)444-9171
Meeting ID: 883 0446 7907

AGENDA

- 1) CALL TO ORDER; ADMINISTRATIVE MATTERS OF THE BOARD**
 - a) Confirmation of quorum
 - b) Board member self-disclosure of actual, potential or perceived conflicts of interest
 - c) Approval of the Agenda (and changes, if any)

- 2) PUBLIC COMMENT** This is an opportunity for the public to make comment and/or address USJHSD Board. Persons wishing to address the Board need to notify the Clerk to the Board, Kelli Shanz, prior to the start of the meeting. All public comments shall be limited to matters under the jurisdiction of the Board and shall be expressly limited to three (3) minutes per person. The Board is not required to respond to or discuss public comments. No action will be taken at this meeting on public comments.

- 3) PUBLIC HEARING ON THE PROPOSED 2023 BUDGET FOR USJHSD**
 - a) Open the Public Hearing on the proposed 2023 budget
 - i) [Estimated budget \(Income Statement and summary of assumptions\)](#) for 2023 presented by PSMC's CFO
 - ii) [Overview of Colorado FAMILI](#)
 - iii) Questions/comments of the Board
 - iv) Questions/comments of the public
 - b) Close the Public Hearing (Note: the Board's decision on the budget is anticipated to be made at the Board's meeting on November 15, 2022).

- 4) OTHER BUSINESS**

- 5) ADJOURN**

Public Hearing on the proposed 2023 Budget for USJHSD 3. a. i.

Pagosa Springs Medical Center

Income Statement - - - Budget 2023

| | 2019 Actual | 2020 Actual | 2021 Actual | Annualized 2022 Actual | Budget 2023 | Difference to Annualized 2021 | Variance Percent Annualized 2021 |
|--|-------------------|--------------------|--------------------|---------------------------|--------------------|----------------------------------|-------------------------------------|
| Revenue | | | | | | | |
| Total In-patient Revenue | 5,483,013 | 5,176,747 | 5,657,241 | 5,738,388 | 6,284,342 | 545,954 | 10% |
| Total Out-patient Revenue | 49,782,028 | 52,022,602 | 58,666,150 | 59,769,156 | 64,313,280 | 4,544,124 | 8% |
| Professional Fees | 6,504,216 | 4,636,252 | 5,605,458 | 6,116,046 | 6,423,368 | 307,322 | 5% |
| Total Patient Revenue | 61,769,257 | 61,835,601 | 69,928,849 | 71,623,590 | 77,020,990 | 5,397,400 | 8% |
| Revenue Deductions & Bad Debt | | | | | | | |
| Contractual Allowances | 28,167,670 | 30,230,926 | 35,952,079 | 36,260,156 | 37,606,283 | 1,346,127 | 4% |
| Charity | 746,437 | 282,686 | 619,176 | 376,341 | 500,000 | 123,659 | 33% |
| Bad Debt | 3,470,959 | 1,730,052 | 832,034 | 2,735,963 | 1,800,382 | (935,581) | -34% |
| Provider Fee & Other | (3,081,149) | (2,520,105) | (3,187,647) | (3,477,617) | (3,498,245) | (20,628) | 1% |
| Total Revenue Deductions & Bad Debt | 29,303,917 | 29,723,559 | 34,215,642 | 35,894,843 | 36,408,420 | 513,577 | 1% |
| Total Net Patient Revenue | 32,465,340 | 32,112,042 | 35,713,207 | 35,728,747 | 40,612,570 | 4,883,823 | 14% |
| Other Operating Income - Misc | 2,426,420 | 2,184,081 | 1,770,942 | 1,207,723 | 1,328,681 | 120,958 | 10% |
| Total Net Revenues | 34,891,760 | 34,296,123 | 37,484,149 | 36,936,470 | 41,941,251 | 5,004,781 | 14% |
| Operating Expenses | | | | | | | |
| Salary & Wages | 18,652,419 | 19,159,203 | 20,443,178 | 20,301,628 | 22,241,455 | 1,939,827 | 10% |
| Benefits | 3,352,542 | 3,287,282 | 3,469,346 | 3,323,221 | 3,509,557 | 186,336 | 6% |
| Professional Fees | - | - | - | - | - | - | 0% |
| Professional Fees/Contract Labor | 307,381 | 349,923 | 590,251 | 3,208,989 | 1,482,101 | (1,726,888) | -54% |
| Purchased Services | 2,158,291 | 1,842,826 | 1,895,136 | 2,072,393 | 2,372,659 | 300,266 | 14% |
| Supplies | 4,915,130 | 5,763,642 | 6,049,760 | 7,239,877 | 8,032,401 | 792,524 | 11% |
| Rent & Leases | 519,305 | 438,281 | 451,270 | 228,166 | 216,056 | (12,110) | -5% |
| Repairs & Maintenance | 538,505 | 549,091 | 539,479 | 573,402 | 533,994 | (39,408) | -7% |
| Utilities | 470,669 | 361,183 | 430,349 | 509,156 | 543,335 | 34,179 | 7% |
| Insurance | 313,792 | 327,437 | 339,605 | 438,706 | 465,029 | 26,323 | 6% |
| Depreciation & Amortization | 1,858,800 | 1,774,630 | 1,957,507 | 1,911,802 | 1,911,802 | - | 0% |
| Interest | 1,094,344 | 1,051,867 | 929,981 | 862,751 | 585,227 | (277,524) | -32% |
| Other | 1,356,457 | 1,561,457 | 1,945,741 | 1,530,145 | 1,849,798 | 319,653 | 21% |
| Total Operating Expenses | 35,537,635 | 36,466,822 | 39,041,603 | 42,200,236 | 43,743,414 | 1,543,178 | 4% |
| Operating Revenue Less Expenses | (645,875) | (2,170,699) | (1,557,454) | (5,263,766) | (1,802,163) | 3,461,603 | -66% |
| Non-Operating Income | | | | | | | |
| Grants | 89,852 | 1,448,642 | 1,011,386 | 177,593 | 227,593 | 50,000 | 28% |
| HHS Stimulus Other Revenue | - | 1,157,026 | 4,225,159 | - | - | - | 100% |
| COVID PPP Loan Forgiveness | - | - | 3,740,044 | - | - | - | - |
| Tax Revenue | 1,228,832 | 1,371,862 | 1,434,731 | 2,400,357 | 1,400,000 | (1,000,357) | -42% |
| Donations | 515,811 | 316,527 | 150,000 | 150,000 | 200,000 | 50,000 | 33% |
| Total Non-Operating Income | 1,834,495 | 4,294,057 | 10,561,320 | 2,727,950 | 1,827,593 | (900,357) | -33% |
| Total Revenue Less Total Expenses | 1,188,620 | 2,123,358 | 9,003,866 | (2,535,816) | 25,430 | 2,561,246 | -101% |

Global Assumptions - ADMINISTRATION

| Global Assumptions: ADMINISTRATION | Budget |
|---------------------------------------|--------|
| Account | Total |
| Inflation General | 1.0800 |
| Inflation Health Insurance | 1.0500 |
| Inflation Utilities | 1.0800 |
| Inflation Medical Supplies | 1.0800 |
| Inflation Drugs | 1.0750 |
| Inflation Insurance | 1.0600 |
| Wage Increase | 1.0000 |

Department Specific Assumption - Department Rate Assumption

| Department Specific Assumption: Department Rate Assumption | | | | Budget |
|--|---------------|-----------------|-------------------|---------------|
| Unit | Spread Method | Account | Unit | Total |
| MED SURG | Average | 01_98011 | 6000 | 1.0400 |
| SWING BED | Average | 01_98011 | 6080 | 1.0400 |
| HOSPITALIST | Average | 01_98011 | 7930 | 1.0400 |
| INPATIENT SERVICES | | 01_98011 | INPAT | 1.0400 |
| OBSERVATION | Average | 01_98011 | 6001 | 1.0400 |
| OUTPATIENT | | 01_98011 | OUTPATIENT | 1.0400 |
| OPERATING ROOM | Average | 01_98011 | 7600 | 1.1000 |
| RECOVERY ROOM | Average | 01_98011 | 7610 | 1.1000 |
| ANESTHESIA | Average | 01_98011 | 7620 | 1.1000 |
| OR PHYSICIANS | Average | 01_98011 | 7630 | 1.1000 |
| OPERATING AND RECOVERY | | 01_98011 | OPERREC | 1.1000 |
| MATERIALS MANAGEMENT | Average | 01_98011 | 7300 | 1.0400 |
| MATERIALS MANAGEMENT | | 01_98011 | MATER | 1.0400 |
| BIO-MED | Average | 01_98011 | 7310 | 1.0400 |
| BIO-MED | | 01_98011 | BIOMED | 1.0400 |
| EMERGENCY ROOM | Average | 01_98011 | 6100 | 1.0400 |
| EMERGENCY ROOM PHYSICIANS | Average | 01_98011 | 6150 | 1.0400 |
| EMERGENCY DEPARTMENT | | 01_98011 | EMER | 1.0400 |
| AMBULANCE | Average | 01_98011 | 7900 | 1.1000 |
| EMS TRAINING PROGRAM | Average | 01_98011 | 7920 | 1.1000 |
| AMBULANCE | | 01_98011 | AMBUL | 1.1000 |
| LABORATORY | Average | 01_98011 | 7000 | 1.0100 |
| BLOOD BANK | Average | 01_98011 | 7050 | 1.0400 |
| LABORATORY | | 01_98011 | LAB | 1.0250 |
| RADIOLOGY | Average | 01_98011 | 7100 | 1.0400 |
| CT SCAN | Average | 01_98011 | 7110 | 1.0100 |
| ULTRASOUND | Average | 01_98011 | 7120 | 1.0400 |
| MRI | Average | 01_98011 | 7130 | 1.0100 |
| MAMMOGRAPHY | Average | 01_98011 | 7140 | 1.0400 |
| NUCLEAR MEDICINE | Average | 01_98011 | 7150 | 1.0400 |
| DIAGNOSTIC IMAGING | | 01_98011 | DIAGIMG | 1.0300 |
| PHARMACY | Average | 01_98011 | 7200 | 1.0400 |
| PHARMACY | | 01_98011 | PHAR | 1.0400 |
| INFUSION | Average | 01_98011 | 7210 | 1.1000 |
| INFUSION | | 01_98011 | INFU | 1.1000 |
| CARDIOLOGY | Average | 01_98011 | 7280 | 1.0400 |
| CARDIOLOGY | | 01_98011 | CARDIO | 1.0400 |
| PHYSICAL THERAPY | Average | 01_98011 | 7250 | 1.0400 |
| OCCUPATIONAL THERAPY | Average | 01_98011 | 7270 | 1.0400 |
| SPEECH THERAPY | Average | 01_98011 | 7260 | 1.0400 |
| CARDIOPULMONARY | Average | 01_98011 | 7220 | 1.0400 |
| REHABILITATIVE SERVICES | | 01_98011 | REHAB | 1.0400 |
| RHC | Average | 01_98011 | 7910 | 1.0200 |
| RHC Providers | Average | 01_98011 | 7940 | 1.0200 |
| PSMC RHC CLINIC | | 01_98011 | RHC | 1.0200 |
| SPECIALTY CLINIC | Average | 01_98011 | 7650 | 1.0400 |
| SPECIALTY CLINICS | | 01_98011 | SPECCLIN | 1.0400 |
| ONCOLOGY CLINIC | Average | 01_98011 | 7290 | 1.0400 |
| ONCOLOGY INFUSION | Average | 01_98011 | 7295 | 1.1000 |
| ONCOLOGY CLINIC | | 01_98011 | ONCOLOGY | 1.0700 |
| NURSING ADMINISTRATION | Average | 01_98011 | 8090 | 1.0000 |
| HEALTH INFORMATION MANAGEMENT | Average | 01_98011 | 8400 | 1.0000 |
| FINANCE | Average | 01_98011 | 8300 | 1.0000 |
| INFORMATION TECHNOLOGY | Average | 01_98011 | 8500 | 1.0000 |

Department Specific Assumption - Department Rate Assumption

| Department Specific Assumption: Department Rate Assumption | | | | Budget |
|--|---------------|-----------------|-------------------|---------------|
| Unit | Spread Method | Account | Unit | Total |
| ADMINISTRATION | Average | 01_98011 | 8000 | 1.0000 |
| COMMUNITY AWARENESS | Average | 01_98011 | 8620 | 1.0000 |
| FUNDRAISING | Average | 01_98011 | 8610 | 1.0000 |
| QAPI | Average | 01_98011 | 8010 | 1.0000 |
| COMPLIANCE | Average | 01_98011 | 8060 | 1.0000 |
| INFORMATICS | Average | 01_98011 | 8030 | 1.0000 |
| COMMUNITY OUTREACH | Average | 01_98011 | 8070 | 1.0000 |
| MEDICAL STAFF | Average | 01_98011 | 8100 | 1.0000 |
| INFECTION CONTROL | Average | 01_98011 | 8020 | 1.0000 |
| ADMINISTRATIVE AND SUPPORT SERVICES | | 01_98011 | ADMINSVC | 1.0000 |
| PLANT OPERATIONS | Average | 01_98011 | 8200 | 1.0000 |
| UTILITIES | Average | 01_98011 | 8210 | 1.0000 |
| PLANT OPERATIONS | | 01_98011 | PLANT | 1.0000 |
| ENVIRONMENTAL SERVICES | Average | 01_98011 | 8250 | 1.0000 |
| LAUNDRY | Average | 01_98011 | 8270 | 1.0000 |
| ENVIRONMENTAL SERVICES AND LAUNDRY | | 01_98011 | EVSLINEN | 1.0000 |
| PATIENT FINANCIAL SERVICES | Average | 01_98011 | 8450 | 1.0000 |
| REGISTRATION | Average | 01_98011 | 8350 | 1.0000 |
| PATIENT FINANCIAL SERVICES | | 01_98011 | PFS | 1.0000 |
| HUMAN RESOURCES | Average | 01_98011 | 8150 | 1.0000 |
| BENEFITS | Average | 01_98011 | 8160 | 1.0000 |
| HUMAN RESOURCES | | 01_98011 | HUMAN | 1.0000 |
| DEDUCTIONS FROM REVENUE | Average | 01_98011 | 5000 | 1.0000 |
| BAD DEBT | Average | 01_98011 | 5010 | 1.0000 |
| CHARITY CARE | Average | 01_98011 | 5020 | 1.0000 |
| CONTRACTUAL ADJUSTMENTS AND BAD DEBT | | 01_98011 | REVADJ | 1.0000 |
| INSURANCE | Average | 01_98011 | 9000 | 1.0000 |
| DEPRECIATION/AMORT | Average | 01_98011 | 9100 | 1.0000 |
| INTEREST/BANK FEES | Average | 01_98011 | 9200 | 1.0000 |
| OTHER EXPENSE | | 01_98011 | OTHEXPENSE | 1.0000 |
| OTHER REVENUE | Average | 01_98011 | 5100 | 1.0000 |
| OTHER REVENUE | | 01_98011 | OTHREV | 1.0000 |
| CERNER UNALIASED | Average | 01_98011 | 9999 | 1.0000 |
| DIETARY | Average | 01_98011 | 7400 | 1.0000 |
| PSMC Hospital | | 01_98011 | PSMCHOSP | 1.0310 |

Department Specific Assumption - Department Volume Used

| Department Specific Assumption: Department Volume Used | | | | Budget |
|--|---------------|-----------------|-------------------|---------------|
| Unit | Spread Method | Account | Unit | Total |
| MED SURG | Average | 01_98010 | 6000 | 1.0100 |
| SWING BED | Average | 01_98010 | 6080 | 1.0000 |
| HOSPITALIST | Average | 01_98010 | 7930 | 1.0100 |
| INPATIENT SERVICES | | 01_98010 | INPAT | 1.0067 |
| OBSERVATION | Average | 01_98010 | 6001 | 1.0100 |
| OUTPATIENT | | 01_98010 | OUTPATIENT | 1.0100 |
| OPERATING ROOM | Average | 01_98010 | 7600 | 1.0600 |
| RECOVERY ROOM | Average | 01_98010 | 7610 | 1.0600 |
| ANESTHESIA | Average | 01_98010 | 7620 | 1.0600 |
| OR PHYSICIANS | Average | 01_98010 | 7630 | 1.0600 |
| OPERATING AND RECOVERY | | 01_98010 | OPERREC | 1.0600 |
| MATERIALS MANAGEMENT | Average | 01_98010 | 7300 | 1.0600 |
| MATERIALS MANAGEMENT | | 01_98010 | MATER | 1.0600 |
| BIO-MED | Average | 01_98010 | 7310 | 1.0000 |
| BIO-MED | | 01_98010 | BIOMED | 1.0000 |
| EMERGENCY ROOM | Average | 01_98010 | 6100 | 1.0400 |
| EMERGENCY ROOM PHYSICIANS | Average | 01_98010 | 6150 | 1.0400 |
| EMERGENCY DEPARTMENT | | 01_98010 | EMER | 1.0400 |
| AMBULANCE | Average | 01_98010 | 7900 | 1.0100 |
| EMS TRAINING PROGRAM | Average | 01_98010 | 7920 | 1.0000 |
| AMBULANCE | | 01_98010 | AMBUL | 1.0050 |
| LABORATORY | Average | 01_98010 | 7000 | 1.0200 |
| BLOOD BANK | Average | 01_98010 | 7050 | 1.0200 |
| LABORATORY | | 01_98010 | LAB | 1.0200 |
| RADIOLOGY | Average | 01_98010 | 7100 | 1.0400 |
| CT SCAN | Average | 01_98010 | 7110 | 1.0400 |
| ULTRASOUND | Average | 01_98010 | 7120 | 1.0200 |
| MRI | Average | 01_98010 | 7130 | 1.0300 |
| MAMMOGRAPHY | Average | 01_98010 | 7140 | 1.0200 |
| NUCLEAR MEDICINE | Average | 01_98010 | 7150 | 1.0000 |
| DIAGNOSTIC IMAGING | | 01_98010 | DIAGIMG | 1.0250 |
| PHARMACY | Average | 01_98010 | 7200 | 1.0500 |
| PHARMACY | | 01_98010 | PHAR | 1.0500 |
| INFUSION | Average | 01_98010 | 7210 | 1.0500 |
| INFUSION | | 01_98010 | INFU | 1.0500 |
| CARDIOLOGY | Average | 01_98010 | 7280 | 1.0200 |
| CARDIOLOGY | | 01_98010 | CARDIO | 1.0200 |
| PHYSICAL THERAPY | Average | 01_98010 | 7250 | 1.0500 |
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| CARDIOPULMONARY | Average | 01_98010 | 7220 | 1.0500 |
| REHABILITATIVE SERVICES | | 01_98010 | REHAB | 1.0350 |
| RHC | Average | 01_98010 | 7910 | 1.0200 |
| RHC Providers | Average | 01_98010 | 7940 | 1.0200 |
| PSMC RHC CLINIC | | 01_98010 | RHC | 1.0200 |
| SPECIALTY CLINIC | Average | 01_98010 | 7650 | 1.0000 |
| SPECIALTY CLINICS | | 01_98010 | SPECCLIN | 1.0000 |
| ONCOLOGY CLINIC | Average | 01_98010 | 7290 | 1.0500 |
| ONCOLOGY INFUSION | Average | 01_98010 | 7295 | 1.0500 |
| ONCOLOGY CLINIC | | 01_98010 | ONCOLOGY | 1.0500 |
| NURSING ADMINISTRATION | Average | 01_98010 | 8090 | 1.0000 |
| HEALTH INFORMATION MANAGEMENT | Average | 01_98010 | 8400 | 1.0000 |
| FINANCE | Average | 01_98010 | 8300 | 1.0000 |
| INFORMATION TECHNOLOGY | Average | 01_98010 | 8500 | 1.0000 |

Department Specific Assumption - Department Volume Used

| Department Specific Assumption: Department Volume Used | | | | Budget |
|--|---------------|-----------------|-------------------|---------------|
| Unit | Spread Method | Account | Unit | Total |
| ADMINISTRATION | Average | 01_98010 | 8000 | 1.0000 |
| COMMUNITY AWARENESS | Average | 01_98010 | 8620 | 1.0000 |
| FUNDRAISING | Average | 01_98010 | 8610 | 1.0000 |
| QAPI | Average | 01_98010 | 8010 | 1.0000 |
| COMPLIANCE | Average | 01_98010 | 8060 | 1.0000 |
| INFORMATICS | Average | 01_98010 | 8030 | 1.0000 |
| COMMUNITY OUTREACH | Average | 01_98010 | 8070 | 1.0000 |
| MEDICAL STAFF | Average | 01_98010 | 8100 | 1.0000 |
| INFECTION CONTROL | Average | 01_98010 | 8020 | 1.0000 |
| ADMINISTRATIVE AND SUPPORT SERVICES | | 01_98010 | ADMINSVC | 1.0000 |
| PLANT OPERATIONS | Average | 01_98010 | 8200 | 1.0000 |
| UTILITIES | Average | 01_98010 | 8210 | 1.0000 |
| PLANT OPERATIONS | | 01_98010 | PLANT | 1.0000 |
| ENVIRONMENTAL SERVICES | Average | 01_98010 | 8250 | 1.0000 |
| LAUNDRY | Average | 01_98010 | 8270 | 1.0000 |
| ENVIRONMENTAL SERVICES AND LAUNDRY | | 01_98010 | EVSLINEN | 1.0000 |
| PATIENT FINANCIAL SERVICES | Average | 01_98010 | 8450 | 1.0000 |
| REGISTRATION | Average | 01_98010 | 8350 | 1.0000 |
| PATIENT FINANCIAL SERVICES | | 01_98010 | PFS | 1.0000 |
| HUMAN RESOURCES | Average | 01_98010 | 8150 | 1.0000 |
| BENEFITS | Average | 01_98010 | 8160 | 1.0000 |
| HUMAN RESOURCES | | 01_98010 | HUMAN | 1.0000 |
| DEDUCTIONS FROM REVENUE | Average | 01_98010 | 5000 | 1.0400 |
| BAD DEBT | Average | 01_98010 | 5010 | 1.0400 |
| CHARITY CARE | Average | 01_98010 | 5020 | 1.0400 |
| CONTRACTUAL ADJUSTMENTS AND BAD DEBT | | 01_98010 | REVADJ | 1.0400 |
| INSURANCE | Average | 01_98010 | 9000 | 1.0000 |
| DEPRECIATION/AMORT | Average | 01_98010 | 9100 | 1.0000 |
| INTEREST/BANK FEES | Average | 01_98010 | 9200 | 1.0000 |
| OTHER EXPENSE | | 01_98010 | OTHEXPENSE | 1.0000 |
| OTHER REVENUE | Average | 01_98010 | 5100 | 1.0000 |
| OTHER REVENUE | | 01_98010 | OTHREV | 1.0000 |
| CERNER UNALIASED | Average | 01_98010 | 9999 | 1.0000 |
| DIETARY | Average | 01_98010 | 7400 | 1.0000 |
| PSMC Hospital | | 01_98010 | PSMCHOSP | 1.0189 |

COLORADO FAMILY AND MEDICAL LEAVE INSURANCE PROGRAM (FAMLI)

1) BACKGROUND:

- a) FMLA: Almost 30 years ago, the federal Family Medical Leave Act (FMLA) was enacted to provide qualifying employees with leave for serious health conditions (birth of a child, adoption, foster placement of a child; employee serious health condition; care for a family member with a serious health condition; exigency leave related to deployment of a family member to military active duty; safe leave). FMLA leave is *unpaid* (unless the employee has access to employer benefits such as sick leave or short-term disability).
- b) FAMLI: In 2020, Colorado voters approved a state-run paid leave insurance program to provide qualifying employees with serious health conditions with benefits of up to \$1,100 per week generally for up to twelve weeks. FAMLI benefits are funded by a tax paid by both the employee and the employer (initially .45% to the employer and .45% to the employee). The program has similar mechanics to unemployment insurance benefits.
- c) In Colorado, all local governmental entities have the option to participate fully in FAMLI, partially in FAMLI, or decline to participate in FAMLI.

2) THREE OPTIONS FOR LOCAL GOVERNMENTAL ENTITIES:

- a) Opt Out And Decline To Participate In FAMLI. To opt out, the Board must pass a resolution declining to participate and provide notice to the State of Colorado of its decision. Unless the Board decides to change its position and participate, the “opt out” is effective for 8 years at which time the Board must, again, vote to opt in or out.
- b) Opt In And Fully Participate In FAMLI: PSMC will automatically participate. Starting 2023, PSMC and employees would each pay a minimum of 0.45% of annualized wages as a premium. After a year of collecting premiums, starting January 2, 2024, employees would be eligible to apply for leave insurance benefits for qualifying events. Thereafter, the premium amount owed would increase based upon employee use of the program. The employer is responsible to collect the entire premium and remit it quarterly with a wage data report. If the Board opts in, it must participate for a minimum of three fiscal years following the decision.
- c) Partial participation in FAMLI: An employee may participate in FAMLI -- even if PSMC declines to participate -- by creating an account in the FAMLI system for which the employee would pay the employee’s 0.45% premium together with a wage data report.

3) PROCESS

- a) To opt out, the Board must pass a resolution during 2022 and the decision must be submitted to the State. If the Board does not opt out, PSMC automatically opts in to FAMLI.
- b) Before a vote, there must be the normal public notice of the agenda and there must be written notice to every PSMC employee with a process of how to submit comments to the Board and the date of the Board meeting. At the Board meeting, the Board must take comments (if any) from staff prior to voting.
- c) If the Board votes to decline, employees must be notified in writing (and notice posted) explaining: declined participation, explanation of differences between any employer benefit and FAMLI, employee FMLA rights, the right of the employee to participate in FAMLI, and the contact information for FAMLI.