



AGENDA

HUMAN RESOURCES COMMITTEE A COMMITTEE OF THE BOARD OF DIRECTORS

REGULAR MEETING
Wednesday, September 16, 2026
9:00 AM
Administration Boardroom
600 N. Highland Springs Avenue, Banning, CA 92220

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at (951) 769-2101. **Notification 48 hours prior to the meeting** will enable the Hospital to make reasonable arrangement to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

TAB

I. Call to Order

S. DiBiasi

II. Public Comment

A five-minute limitation shall apply to each member of the public who wishes to address the Human Resources Committee of the Hospital Board of Directors on any matter under the subject jurisdiction of the Committee. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Committee Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the San Gorgonio Memorial Hospital Board of Directors, we want you to know that the Board/Committee acknowledges the comments or concerns that you direct to this Committee. While the Board/Committee may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the CEO, or other Administrative Executive personnel, to do further research and report back to the Board/Committee prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Board/Committee wants to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board/Committee’s part; a response will be forthcoming.

OLD BUSINESS

III. ***Proposed Action - Approve Minutes**

S. DiBiasi

- July 15, 2026, Regular Meeting

A

NEW BUSINESS

IV. A. Employment Activity/Turnover Reports

A. Karam

B

1. Employee Activity by Job Class/Turnover Report (07/01/2026 – 08/31/2026)
2. Separation Reason Analysis – All Associates (07/01/2026 – 08/31/2026)
3. Separation Reason Analysis – Full and Part Time Associates (07/01/2026 – 08/31/2026)
4. Separation Reason Analysis – Per Diem Associates (07/01/2026 – 08/31/2026)
5. FTE Vacancy Summary (07/01/2026 – 08/31/2026)
6. RN Vacancy Summary (07/01/2026 – 08/31/2026)

- | | | | |
|-------|---|------------|---|
| B. | Workers Compensation report (08/01/2026 – 08/31/2026) | | C |
| V. | * Proposed Action – Recommend Approval to Hospital Board | A. Karam | D |
| | • 2027 Associates Health Plan Benefits | | |
| | ▪ ROLL CALL | | |
| VI. | Education - Informational | A. Karam | E |
| VII. | Future Agenda Items | S. DiBiasi | |
| VIII. | Next Meeting: TBD January 2027 @ 9:00am | | |
| IX. | Adjourn | S. DiBiasi | |

*** Requires Action**

In accordance with The Brown Act, Section 54957.5, all public records relating to an agenda item on this agenda are available for public inspection at the time the document is distributed to all, or a majority of all, members of the Committee. Such records shall be available at the Hospital office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Certification of Posting

I certify that on September 13, 2026, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of San Geronio Memorial Hospital Human Resources Committee, and on the San Geronio Memorial Hospital website, said time being at least 72 hours in advance of the regular meeting of the Human Resources Committee (*Government Code Section 54954.2*).

Executed at Banning, California, September 13, 2026



Ariel Whitley, Executive Assistant

TAB A

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

HUMAN RESOURCES COMMITTEE
July 15, 2026

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Human Resources Committee was held on Wednesday, July 15, 2026, in the Administration Boardroom, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi

Excused Absence: Doris Foreman, Randal Stevens

Staff Present: Chris Bjornberg (CEO), Angela Brady (CNO), Annah Karam (CHRO), Ariel Whitley (Dir. Compliance and Privacy), John Peleuses (VP, Ancillary and Support Services), Ryan Marshall (CFO)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Call To Order	Susan DiBiasi called the meeting to order at 9:05 am.	
Public Comment	No public was present.	
OLD BUSINESS		
Proposed Action - Approve Minutes: January 21, 2026, Regular Meeting	Susan DiBiasi asked for any changes or corrections to the minutes of January 21, 2026, regular meeting. There were none.	The minutes of the January 21, 2026, Regular Meeting were reviewed and will stand as presented.
NEW BUSINESS		
Reports		
A. Employment Activity/Turnover Reports		
1. Employee Activity by Job Class/Turnover Report	Annah Karam, Chief Human Resources Officer, reviewed the report "Employee Activity by Job Class/Turnover Report" for the period of 01/01/2026 through 06/30/2026 as included in the Committee packet.	

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
(01/01/2026 through 06/30/2026)		
2. Separation Reasons Analysis All Associates (01/01/2026 through 06/30/2026)	Annah reviewed the “Separation Reason Analysis for All Associates” for the period of 01/01/2026 through 06/30/2026 as included in the Committee packet. For this period, there were 11 Voluntary Separations and 74 Involuntary Separations for a total of 85.	
3. Separation Reason Analysis Full and Part Time Associates (01/01/2026 through 06/30/2026)	Annah reviewed the “Separation Reason Analysis for Full and Part Time Associates” for the period of 01/01/2026 through 06/30/2026 as included in the Committee packet. For this period, there were 52 Voluntary Separations and 11 Involuntary Separations for a total of 63.	
4. Separation Reason Analysis Per Diem Associates (01/01/2026 through 06/30/2026)	Annah reviewed the “Separation Reason Analysis for Per Diem Associates” for the period of 01/01/2026 through 06/30/2026 as included in the Committee packet. For this period, there were 22 Voluntary Separations and 0 Involuntary Separations for a total of 22.	
5. FTE Vacancy Summary (01/01/2026 through 06/30/2026)	Annah reviewed the “FTE Vacancy Summary” for the period of 01/01/2026 through 06/30/2026 as included in the Committee packet. Annah reported that the Facility Wide vacancy rate as of 06/30/2026 was around 25%.	
6. RN Vacancy Summary (01/01/2026 through 06/30/2026)	Annah reviewed the “RN Vacancy Summary” for the period of 01/01/2026 through 06/30/2026 as included in the Committee packet. Annah reported that the Overall All RN Vacancy rate as of 06/30/2026 was 31.25%.	

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
B. Workers Compensation Report		
Workers Compensation Report (06/01/2026 through 06/30/2026)	Annah reviewed the Workers Compensation Reports covering the period of 06/01/2026 through 06/30/2026 as included in the Committee packet.	
Proposed Action – Recommend Approval to Hospital Board • Adopt Resolution No. 2026-08	Resolution No. 2026-08, is a resolution that removes Michele Finney as an Administrator and Signatory of the SGMH 403b Plan and adds Christopher R. Bjornberg, CEO, and Randal Stevens, Board Secretary, as Administrators and Signatories of the SGMH 403b Plan.	No quorum. No action taken.
Proposed Action – Recommend Approval to Hospital Board • Adopt Resolution No. 2026-09	Resolution No. 2026-09, is a resolution that appoints Christopher Bjornberg, Annah Karam, Joey Hunter, and Ann Lee to serve as members of the Investment Committee.	No quorum. No action taken.
Proposed Action – Recommend Approval to Hospital Board of Associate Holiday Gift Cards	Annah Karam noted that every year we present associates with holiday gift cards. The value of those gift cards will be as follows: Full time - \$75.00 Part Time - \$50.00 The total amount is \$36,950.00.	No quorum. No action taken.
Education	Annah reviewed each education article as included in the committee packet.	
Future Agenda items	• None	
Next regular meeting	The next regular Human Resources Committee meeting is scheduled for September 16, 2026, @ 9:00 am.	
Adjournment	The meeting was adjourned at 10:01 am.	

In accordance with The Brown Act, *Section 54957.5*, all reports and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

TAB B

EMPLOYEE ACTIVITY BY JOB CLASS / TURN OVER REPORT

07/01/2026 THROUGH 08/31/2026

months included 8.00

12.00

JOB CLASS/FAMILY	CURRENT NEW HIRES	2025 NEW HIRES	YTD NEW HIRES	CURRENT SEPARATIONS	2025 SEPARATIONS	YTD TERMS	ACTIVE ASSOCIATE COUNT	LOA ASSOCIATE COUNT	CURRENT TURNOVER	ANNUALIZED TURNOVER	
	07/01/2026 THROUGH 08/31/2026		01/01/2026 THROUGH 08/31/2026	07/01/2026 THROUGH 08/31/2026		01/01/2026 THROUGH 08/31/2026	AS OF 08/31/2026	AS OF 08/31/2026	AS OF 06/30/2026		
ADMIN/CLERICAL	1	19	6	3	21	15	78	4	3.85%	28.85%	1
ANCILLARY	3	35	15	6	36	14	82	0	7.32%	25.61%	2
CLS	0	1	0	0	1	0	4	0	0.00%	0.00%	3
DIRECTORS/MGRS	0	2	2	2	4	2	34	1	5.88%	8.82%	4
LVN	0	3	0	1	4	1	13	1	7.69%	11.54%	5
OTHER NURSING	4	22	11	8	20	20	58	4	13.79%	51.72%	6
PT	0	1	1	1	2	3	8	0	12.50%	56.25%	7
RAD TECH	1	8	6	2	10	7	28	2	7.14%	37.50%	8
RN	13	47	45	9	45	34	150	8	6.00%	34.00%	9
RT	0	3	3	4	4	5	21	0	19.05%	35.71%	10
SUPPORT SERVICES	4	52	20	7	40	24	106	8	6.60%	33.96%	11
											12
FACILITY TOTAL	26	193	109	43	187	125	582	28	7.39%	32.22%	13
											14
Full Time	14	116	62	26	103	70	407	19	6.39%	25.80%	15
Part Time	1	23	9	2	24	18	59	5	3.39%	45.76%	16
Per Diem	11	54	38	15	60	37	116	4	12.93%	47.84%	17
TOTAL	26	193	109	43	187	125	582	28	7.39%	32.22%	18

Southern California Hospital Association (HASC) Benchmark:

Turnover for all Associates 5.55% 11.10%

Turnover for all RNs 6.00% 12.00%

2026 NATIONAL HOSPITAL STAFF TURNOVER RATE = 18.30% 32.13%

2026 NATIONAL HOSPITAL STAFF - RN TURNOVER RATE = 17.60% 30.00%

TOTAL ASSOCIATES ON PAYROLL = 610

Southern California Hospital Association (HASC) Benchmark:

Turnover for all PER DIEM Associates = 7.50%

Turnover for all PER DIEM RNs = 6.80%

SEPARATION ANALYSIS
ALL ASSOCIATES
07/01/2026 THROUGH 08/31/2026

REASON	Current Qtr % by Category	Length Of Service						Total Separations
		Less than 90 days	90 days - 1 year	1-2 years	3-5 years	6-10 years	10+ years	
Involuntary Separations								
Full-Time	11.6%	1		3	1			5
Part-Time	4.7%				1	1		2
Per Diem	4.7%		2					2
Subtotal, Involuntary Separations	20.9%	1	2	3	2	1	0	9
Voluntary Separations								
Full-Time	48.8%	3	4	5	4	2	3	21
Part-Time	0.0%							0
Per Diem	0.0%	1	5	4	1		2	13
Subtotal, Voluntary Separations	79.1%	4	9	9	5	2		34

Total Separations	100.0%	5	11	12	7	3	0	43
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DEPARTMENTS	1-LT 90 DAYS	2-90 DAYS TO 1 YR	3-1YR TO 2.99 YRS	4-3YRS TO 5.99 YRS	5-6YRS TO 9.99 YRS	6-10 PLUS YEARS	Grand Total
Involuntary	1	2	3	2		1	9
BHC		1	2				3
Case Management	1						1
ICU			1				1
Medical Clinic				1			1
OB						1	1
OR				1			1
Respiratory Therapy		1					1
Voluntary	4	9	9	5	2	5	34
BHC		1			1		2
Case Management						2	2
CT	1						1
Dietary		1					1
ED	1	2	2	1			6
ICU	1	1	1		1		4
Laboratory		1	1				2
Materials Management						1	1
MS			1	1			2
OB		1					1
Occupational Therapy			1				1
PACU		1					1
Performance Improvement			1				1
Pharmacy			1				1
Physical Therapy						1	1
Plant Operations			1				1
Respiratory Therapy				3			3
Security	1	1					2
Ultrasound						1	1
Grand Total	5	11	12	7	2	6	43

FULL AND PART TIME ASSOCIATES
07/01/2026 THROUGH 08/31/2026

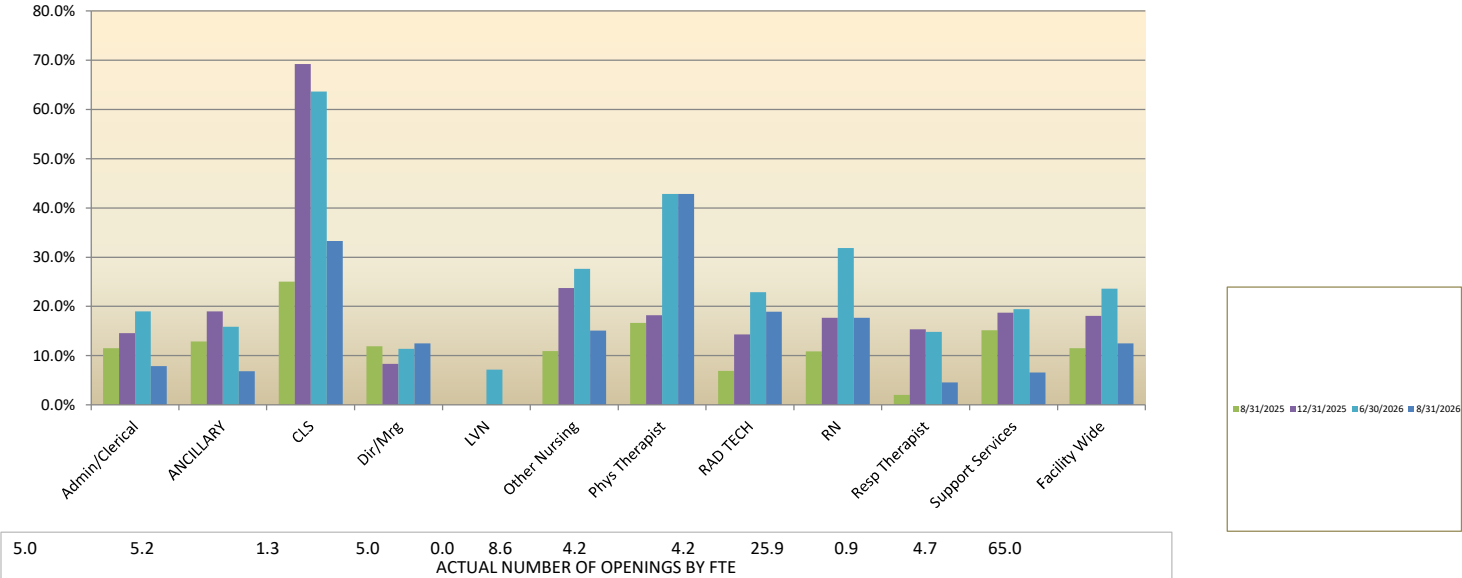
REASON	Current Qtr % by Category	Length Of Service						Total Separations
		Less than 90 days	90 days - 1 year	1-2 years	3-5 years	6-10 years	10+ years	
Voluntary Separations								
Did not Return from LOA	0.0%							0
Employee Death	0.0%							0
Family/Personal Reasons	3.6%					1		1
Job Abandonment	0.0%							0
Job Dissatisfaction	3.6%			1				1
Medical Reasons	0.0%							0
New Job Opportunity	57.1%	3	4	3	3	1	2	16
Not Available to Work	0.0%							0
Pay	0.0%							0
Relocation	3.6%			1				1
Retirement	3.6%						1	1
Return to School	3.6%				1			1
Unknown	0.0%							0
Subtotal, Voluntary Separations	75.0%	3	4	5	4	2	3	21
Involuntary Separations								
Attendance/Tardiness	0.0%							0
Conduct	0.0%							0
Death	0.0%							0
Expired Credentials	0.0%							0
Didn't meet scheduling needs	0.0%							0
Poor Performance	3.6%	1						1
Position Eliminations	21.4%			3	2		1	6
Temporary Position	0.0%							0
Subtotal, Involuntary Separations	25.0%	1	0	3	2	0	1	7
Total Separations	100.0%	4	4	8	6	2	4	28

Separation Reason Analysis
Per Diem Associates Only
07/01/2026 THROUGH 08/31/2026

REASON	Current Qtr % by Category	Length Of Service						Total Separations
		Less than 90 days	90 days - 1 year	1-2 years	3-5 years	6-10 years	10+ years	
Voluntary Separations								
Did not Return from LOA	0.0%							0
Employee Death	0.0%							0
Family/Personal Reasons	0.0%							0
Job Abandonment	0.0%							0
Job Dissatisfaction	6.7%			1				1
Medical Reasons	0.0%							0
New Job Opportunity	40.0%		3	2	1			6
Not Available to Work	40.0%	1	2	1			2	6
Pay	0.0%							0
Relocation	0.0%							0
Retirement	0.0%							0
Return to School	0.0%							0
Unknown	0.0%							0
Subtotal, Voluntary Separations	86.7%	1	5	4	1	0	2	13
Involuntary Separations								
Attendance/Tardiness	0.0%							0
Conduct	6.7%		1					1
Didn't meet certification deadline	0.0%							0
Didn't meet scheduling needs	0.0%							0
Poor Performance	0.0%							0
Position Eliminations	6.7%		1					1
Temporary Position	0.0%							0
Subtotal, Involuntary Separations	13.3%	0	2	0	0	0	0	2
Total Separations	100.0%	1	7	4	1	0	2	15

FTE Vacancy Summary: 07/01/2026 THROUGH 08/31/2026

	<u>Admin/Clerical</u>	<u>ANCILLARY</u>	<u>CLS</u>	<u>Dir/Mrg</u>	<u>LVN</u>	<u>Other Nursing</u>	<u>Phys Therapist</u>	<u>RAD TECH</u>	<u>RN</u>	<u>Resp Therapist</u>	<u>Support Services</u>	<u>Facility Wide</u>
8/31/2025	11.49%	12.87%	25.00%	11.90%	0.00%	10.96%	16.67%	6.90%	10.87%	2.00%	15.15%	11.51%
12/31/2025	14.56%	19.00%	69.23%	8.33%	0.00%	23.75%	18.18%	14.29%	17.68%	15.38%	18.75%	18.10%
6/30/2026	19.00%	15.84%	63.64%	11.36%	7.14%	27.63%	42.86%	22.86%	31.86%	14.81%	19.42%	23.63%
8/31/2026	7.87%	6.82%	33.30%	12.50%	0.00%	15.07%	42.86%	18.92%	17.71%	4.55%	6.56%	12.48%



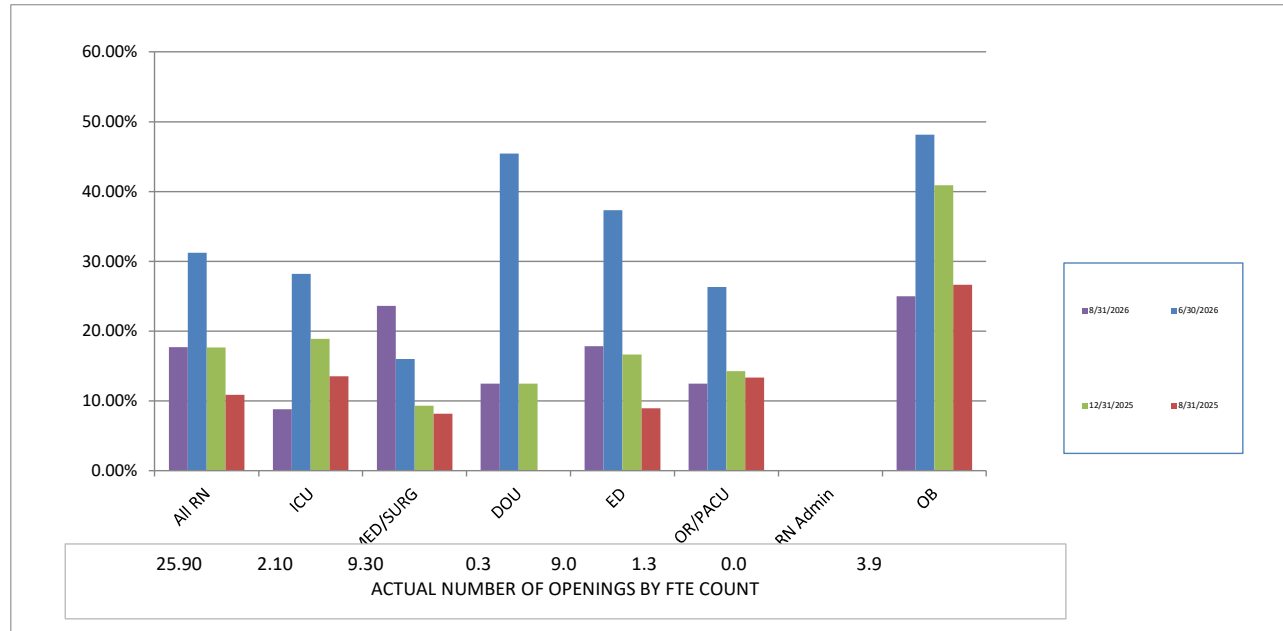
RN FTE Vacancy Summary: 07/01/2026 THROUGH 08/31/2026

	8/31/2026	6/30/2026	12/31/2025	8/31/2025
All RN	17.71%	31.25%	17.68%	10.87%
ICU	8.82%	28.21%	18.92%	13.51%
MED/SURG	23.64%	16.00%	9.30%	8.16%
DOU	12.50%	45.45%	12.50%	0.00%
ED	17.86%	37.33%	16.67%	8.93%
OR/PACU	12.50%	26.32%	14.29%	13.33%
RN Admin	0.00%	0.00%	0.00%	0.00%
OB	25.00%	48.15%	40.91%	26.67%

VACANCY RATE = Number of openings/(total staff + openings)

	OPEN POSITIONS	ACTIVE	VACANCY RATE
All RN	34	158	17.71%
ICU	3	31	8.82%
Med Surg	13	42	23.64%
DOU	1	7	12.50%
ED	10	46	17.86%
OR/PACU	2	14	12.50%
RN Adm.	0	3	0.00%
OB	5	15	25.00%

FTE
25.90
2.10
9.30
0.30
9.00
1.30
0.00
3.90



TAB C

	DASHBOARD REPORT			San Gorgonio Memorial Hospital			
	Fiscal Year Basis: July					Data as of 8/31/2026	
						Reporting Period 8/1/2026 - 8/31/2026	
SUMMARY DATA							
Values							
FiscalYear	ValuationDate	Total Paid	Total Reserves	Total Incurred	Count	Open Count	
2015-2016	2026-08-31	848,859	177,979	1,026,838	40	3	
2016-2017	2026-08-31	205,546	-	205,546	27	-	
2017-2018	2026-08-31	72,312	-	72,312	18	-	
2018-2019	2026-08-31	173,115	31,094	204,209	16	1	
2019-2020	2026-08-31	68,021	-	68,021	15	-	
2020-2021	2026-08-31	598,976	33,937	632,913	22	2	
2021-2022	2026-08-31	111,249	65,334	176,584	18	2	
2022-2023	2026-08-31	186,963	45,896	232,859	14	2	
2023-2024	2026-08-31	669,205	47,634	716,839	30	3	
2024-2025	2026-08-31	116,989	19,949	136,938	33	3	
2025-2026	2026-08-31	138,874	69,542	208,417	40	8	
2026-2027	2026-08-31	1,896	17,161	19,057	8	6	
Grand Total		3,192,006	508,526	3,700,533	281	30	

DASHBOARD REPORT						San Gorgonio Memorial Hospital		
Fiscal Year Basis: July						Data as of 8/31/2026		
						Reporting Period 8/1/2026 - 8/31/2026		
TOP TEN CLAIMS								
Claim Number	Claimant	Department	Cause	DOI	Status	Total Paid	Total Reserves	Total Incurred
20805905		Surgical Services	Fall, Slip or Trip Injury	2020-08-04	Open	346,038	9,318	355,356
16000026		Obstetrics	Fall, Slip or Trip Injury	2016-01-05	Open	141,594	92,459	234,053
16000811		Environmental Services	Fall, Slip or Trip Injury	2016-05-31	Open	173,385	47,840	221,225
24000701		Medical Staff	Miscellaneous Causes	2024-01-11	Closed	176,809	-	176,809
21000657		Environmental Services	Fall, Slip or Trip Injury	2021-03-16	Re-Open	143,508	24,619	168,127
23001495		Laboratory	Fall, Slip or Trip Injury	2023-07-11	Open	140,740	4,197	144,937
19000235		Nursing Administration	Fall, Slip or Trip Injury	2019-02-11	Open	85,628	31,094	116,722
16001005		Medical Surgical	Burn or Scald - Heat or Cold Exposures -	2016-07-21	Closed	98,814	-	98,814
23001964		Obstetrics	Fall, Slip or Trip Injury	2023-09-03	Open	61,649	35,022	96,671
16000233		Environmental Services	Strain or Injury By	2016-02-20	Closed	93,934	-	93,934

FREQUENCY BY DEPARTMENT					SEVERITY BY DEPARTMENT				
Department	Claim Count	% of Claims	Total Incurred	% of Total Incurred	Department	Claim Count	% of Claims	Total Incurred	% of Total Incurred
Medical Surgical	51	18.15%	725,826	19.61%	Environmental Services	47	16.73%	776,824	20.99%
Environmental Services	47	16.73%	776,824	20.99%	Medical Surgical	51	18.15%	725,826	19.61%
Emergency Department	44	15.66%	282,713	7.64%	Surgical Services	11	3.91%	393,823	10.64%
Dietary	26	9.25%	47,162	1.27%	Obstetrics	7	2.49%	388,370	10.49%
Laboratory	12	4.27%	223,545	6.04%	Emergency Department	44	15.66%	282,713	7.64%
Intensive Care Unit (ICU)	12	4.27%	62,644	1.69%	Laboratory	12	4.27%	223,545	6.04%
Surgical Services	11	3.91%	393,823	10.64%	Medical Staff	7	2.49%	195,378	5.28%
Security Department	11	3.91%	122,845	3.32%	Nursing Administration	5	1.78%	177,710	4.80%
Obstetrics	7	2.49%	388,370	10.49%	Security Department	11	3.91%	122,845	3.32%
Medical Staff	7	2.49%	195,378	5.28%	Engineering	6	2.14%	74,858	2.02%
FREQUENCY BY CAUSE					SEVERITY BY CAUSE				
Cause	Claim Count	% of Claims	Total Incurred	% of Total Incurred	Cause	Claim Count	% of Claims	Total Incurred	% of Total Incurred
Strain or Injury By	91	32.38%	836,000	22.59%	Fall, Slip or Trip Injury	41	14.59%	1,838,315	49.68%
Fall, Slip or Trip Injury	41	14.59%	1,838,315	49.68%	Strain or Injury By	91	32.38%	836,000	22.59%
Struck or Injured By	37	13.17%	218,625	5.91%	Miscellaneous Causes	20	7.12%	377,547	10.20%
Burn or Scald - Heat or Cold Exposures - Contact	36	12.81%	138,073	3.73%	Struck or Injured By	37	13.17%	218,625	5.91%
Cut, Puncture, Scrape Injured by	21	7.47%	80,729	2.18%	Burn or Scald - Heat or Cold Exposure	36	12.81%	138,073	3.73%
Miscellaneous Causes	20	7.12%	377,547	10.20%	Motor Vehicle	2	0.71%	87,022	2.35%
Exposure	13	4.63%	62,512	1.69%	Cut, Puncture, Scrape Injured by	21	7.47%	80,729	2.18%
Caught In, Under or Between	13	4.63%	10,666	0.29%	Exposure	13	4.63%	62,512	1.69%
Striking Against or Stepping on	7	2.49%	51,042	1.38%	Striking Against or Stepping on	7	2.49%	51,042	1.38%
Motor Vehicle	2	0.71%	87,022	2.35%	Caught In, Under or Between	13	4.63%	10,666	0.29%

Open Claims			San Gorgonio Memorial Hospital								
Fiscal Year Basis: July			Data as of 8/31/2026								
			Reporting Period 8/1/2026 - 8/31/2026								
							Values				
Loss Date	Claim #	Status	Claimant Name	ClaimantTypeDesc	InjuryCauseGroup	Litigated (1=	Count	Paid	Outstanding	Incurred	Lost Time
2015-08-20	15001161	Re-Open		Future Medical	Strain or Injury By	0	1	27,087	37,679	64,766	0
2016-01-05	16000026	Open		Future Medical	Fall, Slip or Trip Injur	1	1	141,594	92,459	234,053	749
2016-05-31	16000811	Open		Future Medical	Fall, Slip or Trip Injur	1	1	173,385	47,840	221,225	730
2019-02-11	19000235	Open		Future Medical	Fall, Slip or Trip Injur	0	1	85,628	31,094	116,722	0
2020-08-04	20805905	Open		Indemnity	Fall, Slip or Trip Injur	1	1	346,038	9,318	355,356	812
2021-03-16	21000657	Re-Open		Indemnity	Fall, Slip or Trip Injur	1	1	143,508	24,619	168,127	728
2021-08-13	21001795	Open		Future Medical	Strain or Injury By	0	1	33,280	40,127	73,407	70
2022-01-23	22000651	Re-Open		Future Medical	Fall, Slip or Trip Injur	0	1	31,833	25,207	57,040	106
2022-12-02	22002737	Open		Future Medical	Strain or Injury By	0	1	8,588	40,616	49,204	11
2023-03-21	23003338	Open		Indemnity	Fall, Slip or Trip Injur	1	1	9,920	5,280	15,200	0
2023-07-11	23001495	Open		Indemnity	Fall, Slip or Trip Injur	1	1	140,740	4,197	144,937	112
2023-09-03	23001964	Open		Future Medical	Fall, Slip or Trip Injur	0	1	61,649	35,022	96,671	154
2024-02-23	24000340	Open		Indemnity	Fall, Slip or Trip Injur	0	1	52,881	8,415	61,297	100
2024-07-22	24001567	Open		Indemnity	Strain or Injury By	0	1	9,276	3,766	13,042	22
2024-09-15	24002020	Open		Future Medical	Strain or Injury By	0	1	10,983	7,636	18,619	65
2024-11-27	24002638	Re-Open		Indemnity	Fall, Slip or Trip Injur	1	1	21,692	8,547	30,239	8
2025-10-23	25002891	Open		Indemnity	Miscellaneous Cause	1	1	4,898	2,352	7,250	0
2026-01-27	26000295	Open		Indemnity	Miscellaneous Cause	1	1	-	9,700	9,700	0
2026-02-11	26000379	Open		Indemnity	Motor Vehicle	1	1	54,164	13,774	67,939	196
2026-02-11	26000414	Open		Indemnity	Motor Vehicle	0	1	4,683	14,400	19,084	14
2026-03-26	26000704	Re-Open		Medical	Struck or Injured By	0	1	1,418	1,050	2,468	0
2026-03-30	26000737	Open		Indemnity	Strain or Injury By	0	1	6,619	4,893	11,512	34
2026-04-03	26000851	Re-Open		Medical	Struck or Injured By	0	1	6	4	10	0
2026-06-06	26001393	Open		Indemnity	Fall, Slip or Trip Injur	0	1	25,399	23,369	48,768	84
2026-07-06	26001654	Open		Indemnity	Strain or Injury By	0	1	-	1,050	1,050	0
2026-08-07	26002021	Open		Indemnity	Fall, Slip or Trip Injur	0	1	433	5,267	5,700	0
2026-08-07	26002030	Open		Medical	Strain or Injury By	0	1	706	3,144	3,850	0
2026-08-11	26002226	Open		Indemnity	Strain or Injury By	0	1	-	-	-	0
2026-08-19	26002161	Open		Medical	Miscellaneous Cause	0	1	-	3,850	3,850	0
2026-08-21	26002165	Open		Medical	Struck or Injured By	0	1	-	3,850	3,850	0
Grand Total							30	1,396,409	508,526	1,904,935	3,995

TAB D



San Geronio Memorial Hospital

2027 Executive Overview

September 9, 2026

Alliant Insurance Services | Proprietary & Confidential

2027 Executive Summary

Medical:

- ▶ **Anthem Negotiated fully insured Anthem renewal: +9.5% or +\$513K, cost avoidance of \$424K**
 - **Anthem initial renewal (aggregate): +17.4% or +\$936K**
 - Anthem strategically adjusted the 2027 renewal terms to retain SGMH and strengthen the ongoing partnership amid competitive underwriting pressure
 - Anthem reporting total loss ratio for SGMH over 100% (inclusive of HMO & PPO experience, HMO only loss ratio 91%)
 - Fully insured medical carriers typical target a loss ratio of 85%
 - Medical experience remains pressured by increased claims activity, severity, and pharmacy utilization
 - 6 HMO claimants exceeded \$50K through May 2026, totaling \$544K; acute kidney failure, chronic kidney disease, and breast cancer are among the leading diagnoses
- ▶ **Medical Plan Marketing - Comprehensive fully insured marketing conducted with carriers: Aetna, Blue Shield, Cigna, UHC, Kaiser, & PRISM (Anthem/BS)**
 - Aetna, Blue Shield, CIGNA, and UHC: Declined to quote due to current SGMH experience and uncompetitive projected positions
 - Carriers provided preliminary renewal ranges: +12% to +22% over current
 - Kaiser full takeover proposal: +22.2% or +\$1.19M
- ▶ **Anthem fully insured alternative plan designs:**
 - Anthem alternative plan designs options increase to member cost share (see sides 23 - 25)
 - Option 1 - Aggregate renewal impact: +3% or +\$171K
 - Option 2 - Aggregate renewal impact: 0% or +\$940

2027 Executive Summary *(continued)*

Medical (continued):

Alternative Funding:

- HRA Plan options: estimates utilization (65%): +4.2% or +\$242K at 65% with maximum liability: +13% or +\$743K (100% utilization of HRA)
- ICHRA estimates - comparable plan design: +29% / +\$1.5M; Gold: +26% / +\$1.3M; Silver: -1% / -\$58K; Bronze: -4% / -\$208K.
 - ICHRA figures are illustrative projected aggregate cost

Self-funded Projection: +15% or \$815K (0% margin) to +18.5% or +\$997K (3.5% margin)

- Self-funded projection assumes Anthem ASO bundled with bundled CarelonRx PBM
- Comprehensive TPA and PBM marketing conducted - Anthem ASO provided most competitive overall package with lowest administration cost (offset by Rx Rebates) and Rx pricing and guaranteed rebates
- Assumes illustrative stop loss proposal - final stop loss marketing with firm proposal expected end of October to early November
 - Stop loss carriers require data through September 2026 to provide firm proposals

Anthem Self Funded alternative plan designs:

- Alternative plan designs options increase to member cost share (see sides 18 - 21)
 - Option 1 - Aggregate renewal impact: +9.6% or +\$517K
 - Option 2 - Aggregate renewal impact: +7.2% or +\$388K

Ancillary Benefits:

- Dental - Sun Life: 0% or \$0 (rate guarantee through 12/31/28)
- Vision - VSP: Negotiated -1% or -\$500 with 2- year rate guarantee through 12/31/2028
- Life & Disability, EAP & Voluntary Benefits - Unum: 0% or \$0 (rate guarantee through 12/31/28)

2027 total projected renewal cost impact (all benefits): +8.9% or +512K
(negotiated incumbent renewals assuming no plan design changes)

2027 Financial Overview & Renewal Options

San Geronio Memorial Hospital

Financial Overview

Renewal Effective: January 1, 2027

Final Decision

Line of Coverage	EE Count
------------------	-------------

Anthem - Classic PPO	8
Anthem - Solutions PPO	7
Anthem - Medical HMO	338
Sun Life - DHMO	184
Sun Life - DPPO	191
VSP - Vision	348
Unum - Basic Life and AD&D	500
Unum - Long Term Disability	491

Current
Total Cost
Anthem 250/20/20
\$140,771
Anthem 2500/25/20
\$146,775
Anthem HMO
\$5,109,188
\$58,945
\$171,417
\$45,440
\$41,550
\$17,688
\$5,731,774

Initial Renewal		
Total Cost	%Δ	\$ Δ
\$175,964	25.0%	\$35,193
\$183,470	25.0%	\$36,694
\$5,973,676	16.9%	\$864,488
\$58,945	0.0%	\$0
\$171,417	0.0%	\$0
\$44,964	-1.0%	-\$476
\$41,550	0.0%	\$0
\$17,688	0.0%	\$0
\$6,667,674		

Negotiated Renewal		
Total Cost	%Δ	\$ Δ
\$154,144	9.5%	\$13,373
\$160,718	9.5%	\$13,943
\$5,594,549	9.5%	\$485,361
\$58,944	0.0%	-\$1
\$171,416	0.0%	-\$1
\$44,963	-1.0%	-\$477
\$41,549	0.0%	-\$1
\$17,688	0.0%	\$0
\$6,243,971		

Option 1A Plan Decrements		
Total Cost	%Δ	\$ Δ
Anthem 750/30/50		
\$145,170	3.1%	\$4,399
Anthem 3500/30/50		
\$154,257	5.1%	\$7,482
Anthem HMO \$0/\$0 40/60/750		
\$5,269,493	3.1%	\$160,305
\$58,945	0.0%	\$0
\$171,417	0.0%	\$0
\$44,964	-1.0%	-\$476
\$41,550	0.0%	\$0
Converted to Voluntary LTD	0.0%	--
\$5,885,796		

TOTAL ANNUAL PREMIUM
\$ CHANGE
% CHANGE

\$935,900

16.3%

\$512,197

8.9%

\$154,022
2.7%

2027 Contribution Scenarios

San Geronimo Memorial Hospital Employee Contributions Renewal Effective: January 1, 2027									
Employee Contributions		Current Monthly Contributions				Final Decision Renewal Option 1A (Anthem, SunLife, YSP)			
	Lives	Total	ER Cost	EE Cost	EE %	Total	ER Cost	EE Cost	EE %
Anthem Classic PPO (FT)									
EE Only	6	\$1,150.67	\$725.05	\$425.62	37.0%	\$1,186.63	\$652.65	\$533.98	45.0%
EE + Child(ren)	2	\$2,413.45	\$1,519.91	\$893.54	37.0%	\$2,488.86	\$1,119.99	\$1,368.87	55.0%
EE + Family	2	\$3,446.63	\$2,170.28	\$1,276.35	37.0%	\$3,554.31	\$1,599.44	\$1,954.87	55.0%
Annual Premium	8	\$140,771	\$88,681	\$52,090	37.0%	\$145,170	\$73,871	\$71,299	49.1%
Anthem Classic PPO (PT)									
EE Only	0	\$1,150.67	\$701.19	\$449.48	39.1%	\$1,186.63	\$593.31	\$593.32	50.0%
EE + Child(ren)	0	\$2,413.45	\$1,469.90	\$943.55	39.1%	\$2,488.86	\$995.54	\$1,493.32	60.0%
EE + Family	0	\$3,446.63	\$2,098.85	\$1,347.78	39.1%	\$3,554.31	\$1,421.72	\$2,132.59	60.0%
Annual Premium	0	\$0	\$0	\$0	0.0%	\$0	\$0	\$0	#DIV/0!
Anthem Solution PPO (FT)									
EE Only	2	\$927.89	\$686.78	\$244.11	26.0%	\$975.19	\$633.87	\$341.32	35.0%
EE + Child(ren)	1	\$1,945.56	\$1,439.51	\$506.05	26.0%	\$2,044.74	\$1,124.61	\$920.13	45.0%
EE + Family	2	\$2,778.25	\$2,055.44	\$722.81	26.0%	\$2,919.87	\$1,605.93	\$1,313.94	45.0%
Annual Premium	5	\$112,294	\$83,087	\$29,207	26.0%	\$116,018	\$67,251	\$50,768	43.0%
Anthem Solution PPO (PT)									
EE Only	1	\$927.89	\$662.92	\$264.97	28.6%	\$975.19	\$585.11	\$390.08	40.0%
EE + Child(ren)	1	\$1,945.56	\$1,389.50	\$556.06	28.6%	\$2,044.74	\$1,022.37	\$1,022.37	50.0%
EE + Family	1	\$2,778.25	\$1,884.01	\$794.24	28.6%	\$2,919.87	\$1,459.83	\$1,459.94	50.0%
Annual Premium	2	\$34,481	\$24,629	\$9,852	28.6%	\$36,239	\$19,290	\$16,949	46.8%
Anthem HMO (FT)									
EE Only	126	\$629.06	\$565.64	\$63.42	10.1%	\$648.79	\$551.47	\$97.32	15.0%
EE + Child(ren)	62	\$1,318.45	\$1,185.51	\$132.94	10.1%	\$1,359.82	\$1,087.86	\$271.96	20.0%
EE + Family	115	\$1,882.47	\$1,692.64	\$189.83	10.1%	\$1,941.54	\$1,553.23	\$388.31	20.0%
Annual Premium	303	\$4,529,874	\$4,073,110	\$456,764	10.1%	\$4,672,002	\$3,786,648	\$885,354	19.0%
Anthem HMO (PT)									
EE Only	10	\$629.06	\$543.76	\$85.30	13.6%	\$648.79	\$519.03	\$129.76	20.0%
EE + Child(ren)	9	\$1,318.45	\$1,139.66	\$178.79	13.6%	\$1,359.82	\$1,019.86	\$339.96	25.0%
EE + Family	16	\$1,882.47	\$1,627.21	\$255.26	13.6%	\$1,941.54	\$1,456.15	\$485.39	25.0%
Annual Premium	35	\$579,314	\$500,759	\$78,555	13.6%	\$597,491	\$462,009	\$145,482	24.3%
MEDICAL TOTAL		\$5,396,735	\$4,770,267	\$626,468	11.6%	\$5,568,920	\$4,399,068	\$1,169,852	21.0%
Change from current - %						\$172,186	3.2%	\$371,199	7.8%
Change from current - %								\$543,384	86.7%
Sun Life DHMO (FT)									
EE Only	70	\$14.77	\$12.84	\$1.93	13.1%	\$14.77	\$12.84	\$1.93	13.1%
EE + Child(ren)	42	\$26.69	\$23.16	\$3.53	13.2%	\$26.69	\$23.16	\$3.53	13.2%
EE + Family	50	\$42.74	\$37.28	\$5.46	12.8%	\$42.74	\$37.28	\$5.46	12.8%
Annual Premium	162	\$51,503	\$44,826	\$6,676	13.0%	\$51,503	\$44,826	\$6,676	13.0%
Sun Life DHMO (PT)									
EE Only	8	\$14.77	\$12.17	\$2.60	17.6%	\$14.77	\$12.17	\$2.60	17.6%
EE + Child(ren)	6	\$26.69	\$21.92	\$4.77	17.9%	\$26.69	\$21.92	\$4.77	17.9%
EE + Family	8	\$42.74	\$35.42	\$7.32	17.1%	\$42.74	\$35.42	\$7.32	17.1%
Annual Premium	22	\$7,443	\$6,147	\$1,296	17.4%	\$7,443	\$6,147	\$1,296	17.4%
Sun Life DPPO (FT / PT)									
EE Only	66	\$35.53	\$8.35	\$27.18	76.5%	\$35.53	\$8.35	\$27.18	76.5%
EE + Child(ren)	50	\$66.04	\$15.54	\$50.50	76.5%	\$66.04	\$15.54	\$50.50	76.5%
EE + Family	75	\$115.17	\$27.07	\$88.10	76.5%	\$115.17	\$27.07	\$88.10	76.5%
Annual Premium	191	\$171,417	\$40,300	\$131,117	76.5%	\$171,417	\$40,300	\$131,117	76.5%
VSP Choice (FT / PT)									
EE Only	133	\$6.51	\$0.00	\$6.51	100.0%	\$6.44	\$0.00	\$6.44	100.0%
EE + Child(ren)	89	\$10.11	\$0.00	\$10.11	100.0%	\$10.01	\$0.00	\$10.01	100.0%
EE + Family	128	\$16.04	\$0.00	\$16.04	100.0%	\$15.87	\$0.00	\$15.87	100.0%
Annual Premium	348	\$45,440	\$0	\$45,440	100.0%	\$44,964	\$0	\$44,964	100.0%
GRAND TOTAL		\$5,672,537	\$4,881,540	\$890,997	14.3%	\$5,844,247	\$4,490,341	\$1,353,905	23.2%
Change from current - %						\$171,710	3.0%	\$371,199	7.6%
Change from current - %								\$542,909	66.9%

2027 Medical Renewal



San Geronio Memorial Hospital

Medical PPO

Renewal Effective: January 1, 2027

Final Decision

Medical Plan Benefits		Anthem 250/20/20 Essential \$5 / \$15 / \$30 / \$50 / 30% to \$250 Current / Renewal		Option 1 A Anthem 750/30/50 Essential \$5 / \$15 / \$30 / 30% to \$250 Alternative Plan Design	
MEDICAL BENEFITS		IN-NETWORK	OUT-OF-NETWORK	IN-NETWORK	OUT-OF-NETWORK
Calendar Year Deductible Individual / Family		\$250 / \$750	\$750 / \$2,250	\$750 / \$2,250	\$2,250 / \$6,750
Annual Out-of-Pocket Maximum Individual / Family		\$2,500 / \$5,000	\$7,500 / \$15,000	\$5,000 / \$10,000	\$15,000 / \$30,000
Physician Office Visit		\$20 (ded waived)	40%	\$30 (ded waived)	40%
Specialist Visit		\$20 (ded waived)	40%	\$50 (ded waived)	40%
Lab- Freestanding Facility / OP Hospital		20%	40% (up to \$350 for OP Hospital)	20%	40% (up to \$350 for OP Hospital)
X-Rays- Freestanding Facility / OP Hospital		20%	40% (up to \$350 for OP Hospital)	20%	40% (up to \$350 for OP Hospital)
Advanced Imaging- CT, MRI, PET scans		20%	40% (up to \$800)	20%	40% (up to \$800)
Urgent Care Services		\$20 (ded waived)	40%	\$30 (ded waived)	40%
Emergency Room		\$150 / visit then 20% (copay waived if admitted)		\$150 / visit then 20% (copay waived if admitted)	
Ambulatory Surgical Center		20%	40% (up to \$350)	20%	40% (up to \$350)
Outpatient Surgery		20%	40% (up to \$350)	20%	40% (up to \$350)
Inpatient Hospitalization		20%	40% (up to \$1,000 / day)	20%	40% (up to \$1,000 / day)
Chiropractic Care		\$20 (ded waived)	40%	\$20 (ded waived)	40%
Visits per Calendar Year		(30 visits / calendar year)		(30 visits / calendar year)	
Acupuncture Care		\$20 (ded waived)	40%	\$20 (ded waived)	40%
Visits per Calendar Year		(20 visits / calendar year)		(20 visits / calendar year)	
PRESCRIPTION DRUGS					
Prescription Deductible		Combined with Medical		Combined with Medical	
Prescription Out-of-Pocket Maximum		Combined with Medical		Combined with Medical	
Pharmacy Tier Structure		Generic / Brand / Non-Formulary		Generic / Brand / Non-Formulary	
Retail Cost		\$5 / \$15 / \$30		\$5 / \$15 / \$30	
Supply Limit		30 days supply		30 days supply	
Mail Order Cost		\$12.50 / \$90 / \$150		\$12.50 / \$90 / \$150	
Supply Limit		90 days		90 days	
Specialty Medication Cost		30% up to \$250		30% up to \$250	
		Retail: 50% up to \$250		Retail: 50% up to \$250	
		Mail Order: Not covered		Mail Order: Not covered	
MONTHLY RATES		Current	Renewal	Alternative Plan Design	
EE Only	6	\$1,150.67	\$1,438.34	\$1,186.63	
EE + 1	2	\$2,413.45	\$3,016.81	\$2,488.86	
EE + Family	0	\$3,446.63	\$4,308.29	\$3,554.31	
MONTHLY PREMIUM	8	\$11,731	\$14,664	\$12,098	
ANNUAL PREMIUM		\$140,771	\$175,964	\$145,170	
ANNUAL DOLLAR CHANGE		\$35,193		\$4,399	
ANNUAL PERCENT CHANGE		25.0%		3.1%	

* Deductible does not apply.

Final Decision

Option 1A

Medical Plan Benefits	Anthem 2500/25/20 Essential \$5/\$20/\$40/\$60/30% to \$250 Solution PPO Current / Renewal	
	IN-NETWORK	OUT-OF-NETWORK
Calendar Year Deductible Individual / Family	\$2,500 / \$5,000	\$7,500 / \$15,000
Annual Out-of-Pocket Maximum Individual / Family	\$6,350 / \$12,700	\$19,050 / \$38,100
Physician Office Visit	\$25 (ded waived)	40%
Specialist Visit	\$25 (ded waived)	40%
Lab- Freestanding Facility / OP Hospital	20%	40%
X-Rays- Freestanding Facility / OP Hospital	20%	40%
Advanced Imaging- CT, MRI, PET scans	20%	40%
Urgent Care Services	\$25 (ded waived)	40%
Emergency Room	\$150 / visit then 20% (copay waived if admitted)	
Ambulatory Surgical Center	20%	40%
Outpatient Surgery	20%	40%
Inpatient Hospitalization	20%	40%
Chiropractic Care	\$25 (ded waived)	40%
Visits per Calendar Year	(30 visits / calendar year)	
Acupuncture Care	\$25 (ded waived)	40%
Visits per Calendar Year	(20 visits / calendar year)	
PRESCRIPTION DRUGS		
Prescription Deductible	Combined with Medical	
Prescription Out-of-Pocket Maximum	Combined with Medical	
Pharmacy Tier Structure	Generic / Brand / Non-Formulary	
Retail Cost	\$5 / \$40 / \$60	50% up to \$250
Supply Limit	30 days supply	Not Covered
Mail Order Cost	\$12.50 / \$120 / \$180	90 days
Supply Limit	30% up to \$250	Retail: 50% up to \$250 Mail Order: Not covered
Specialty Medication Cost		
MONTHLY RATES		
EE Only	Current	Negotiated Renewal
EE + Child(ren)	\$927.89	\$1,159.87
EE + Family	\$1,945.56	\$2,431.95
	\$2,778.25	\$3,472.82
MONTHLY PREMIUM	\$12,231	\$15,289
ANNUAL PREMIUM	\$146,775	\$183,470
ANNUAL DOLLAR CHANGE	\$36,694	\$13,944
ANNUAL PERCENT CHANGE	25.0%	9.5%

Anthem 3500/30/50 Essential \$5/\$20/\$40/\$60/30% to \$250 Solution PPO Alternative Plan Design	
IN-NETWORK	OUT-OF-NETWORK
\$3,500 / \$7,000	\$10,500 / \$21,000
\$6,350 / \$12,700	\$19,050 / \$38,100
\$30 (ded waived)	50%
\$50 (ded waived)	50%
30%	50%
30%	50%
\$30 (ded waived)	50%
\$150 / visit then 30% (copay waived if admitted)	
30%	50%
30%	50%
\$25 (ded waived)	40%
(30 visits / calendar year)	
\$25 (ded waived)	40%
(20 visits / calendar year)	
Combined with Medical	
Combined with Medical	
Generic / Brand / Non-Formulary	
\$5 / \$40 / \$60	50% up to \$250
30 days supply	Not Covered
\$12.50 / \$120 / \$180	90 days
30% up to \$250	Retail: 50% up to \$250 Mail Order: Not covered
Alternative Plan Design	
	\$975.19
	\$2,044.74
	\$2,919.87
	\$12,855
	\$154,257
	\$7,482
	5.1%

San Geronio Memorial Hospital
Medical HMO
Renewal Effective: January 1, 2027

Final Decision
Option 1A

Medical Plan Benefits	
MEDICAL BENEFITS	
Calendar Year Deductible	
Individual / Family	
Annual Out-of-Pocket Maximum	
Individual / Family	
Physician Office Visit	
Specialist Visit	
Lab- Freestanding Facility / OP Hospital	
X-Rays- Freestanding Facility / OP Hospital	
Advanced Imaging- CT, MRI, PET scans	
Urgent Care Services	
Emergency Room	
Ambulatory Surgical Center	
Outpatient Surgery	
Inpatient Hospitalization	
Chiropractic Care	
Visits per Calendar Year	
Acupuncture Care	
Visits per Calendar Year	
PRESCRIPTION DRUGS	
Prescription Deductible	
Prescription Out-of-Pocket Maximum	
Pharmacy Tier Structure	
Retail Cost	
Supply Limit	
Mail Order Cost	
Supply Limit	
Specialty Medication Cost	

MONTHLY RATES	
EE Only	136
EE + 1	71
EE + Family	131
MONTHLY PREMIUM	338
ANNUAL PREMIUM	
ANNUAL DOLLAR CHANGE	
ANNUAL PERCENT CHANGE	

* Deductible applies.

Anthem HMO Current / Renewal	
IN-NETWORK	
	None
	\$2,000 / \$4,000
	\$20
	\$40
	No Charge
	No Charge
	\$100 copay
	\$20
	\$100
	(copay waived if admitted)
	\$125 / Admit
	\$125 / Admit
	\$250 / Admit
	\$20
	(60 visits / calendar year)
	\$20
	No Limit
	Combined with Medical
	Combined with Medical
	Generic / Brand / Non-Formulary
	\$5 / \$15 / \$30
	30 days supply
	\$12.50 / \$90 / \$150
	90 days
	30% up to \$250

Current	Renewal	Negotiated Renewal
\$629.06	\$735.50	\$688.82
\$1,318.45	\$1,541.53	\$1,443.70
\$1,882.47	\$2,200.99	\$2,061.30
\$425,766	\$497,806	\$466,213
\$5,109,188	\$5,973,676	\$5,594,550
	\$864,488	\$485,362
	16.9%	9.5%

Anthem HMO \$0/\$0 40/60/750 Alternative Plan Design	
IN-NETWORK	
	None
	\$2,500 / \$5,000
	\$40
	\$60
	No Charge
	No Charge
	\$125 copay
	\$40
	\$200
	(copay waived if admitted)
	\$375 / Visit
	\$375 / Visit
	\$750 / Admit
	\$20
	(60 visits / calendar year)
	\$20
	No Limit
	Combined with Medical
	Combined with Medical
	Generic / Brand / Non-Formulary
	\$5 / \$15 / \$30
	30 days supply
	\$12.50 / \$90 / \$150
	90 days
	30% up to \$250

Alternative Plan Design	
	\$648.79
	\$1,359.82
	\$1,941.54
	\$439,124
	\$5,269,493
	\$160,305
	3.1%

Long Term Disability - Voluntary Conversion Consideration

TERMINATING 1/1/2027 Current Employer Paid LTD

Long Term Disability	
Plan Benefits	
Benefit Amounts	
Class 1: Executive & CEO	\$15,000
Class 2: All Others Employees	67%
Plan Features	
Elimination Period	Class 1: 90 Days
Own Occupation Definition	Class 2: 180 Days
Mental Health/Substance Abuse Limitations	24 Months
Maximum Benefit Duration	Class 1: SSNRA
Pre-Existing Condition	Class 2: SSNRA
FICA Match	3/12
W-2 Production	Included

Unum	
Current	
Monthly Benefit %	Max Monthly Benefit
67%	\$15,000
50%	\$2,500
Class 1: 90 Days	
Class 2: 180 Days	
24 Months	
Class 1: SSNRA	
Class 2: SSNRA	
3/12	
Included	
Included	

MONTHLY RATES	
Total Covered Monthly Benefit	EE
Rate per \$100 of Covered Monthly	491
MONTHLY PREMIUM	
ANNUAL PREMIUM	\$17,688

36	
(1/1/2026-12/31/2028)	
Current	
Total Covered Monthly Benefit	\$2,267,709
Rate per \$100 of Covered Monthly	\$0.065
MONTHLY PREMIUM	
ANNUAL PREMIUM	\$14,474

Pros

Cons

Reduces employer benefit costs and improves budget predictability

Removing employer-paid LTD may reduce the overall competitiveness of the benefits package

Allows employers to reallocate benefit dollars to other priorities

May be perceived as a reduction in benefits

Maintains access to LTD coverage while shifting costs to employees

Participation may decline, need to maintain 20% participation minimum required (carrier requirement)

Provides employees with choice and opportunity in electing coverage

Additional communication and education are needed to drive enrollment

Final Decision

Voluntary LTD Plan Option

Voluntary Long Term Disability	
Plan Benefits	
Benefit Amounts	
Class 1: All Employees	60%
Plan Features	
Elimination Period	180 Days
Own Occupation Definition	24 Months
Mental Health/Substance Abuse Limitations	24 Months
Maximum Benefit Duration	To Age 65 or Social Security Normal Retirement Age
Pre-Existing Condition	3/12
FICA Match	Not Included
W-2 Production	Not Included

Unum	
Option 1	
Monthly Benefit %	Max Monthly Benefit
60%	\$15,000
180 Days	
24 Months	
24 Months	
To Age 65 or Social Security Normal Retirement Age	
3/12	
Not Included	
Not Included	

MONTHLY RATES	
Age Range	
Under age 20	
Age 20-24	
Age 25-29	
Age 30-34	
Age 35-39	
Age 40-44	
Age 45-49	
Age 50-54	
Age 55-59	
Age 60-64	
Age 65-69	
Age 70+	

12	
(1/1/2027-12/31/2027)	
Option 1	
Rate per \$100 of Covered Monthly	\$0.02
	\$0.02
	\$0.06
	\$0.14
	\$0.19
	\$0.51
	\$0.84
	\$1.14
	\$1.34
	\$1.15
	\$0.78
	\$0.53

Historical Loss Ratios & Negotiated Renewal Impact

Plan Year	Renewal Loss Ratios (HMO ONLY)	San Geronio Memorial Hospital				Average SoCal Carrier Pooled Renewal*	PERS Choice/ PPO
		SGMH Initial Anthem Renewal	SGMH Final Negotiated Anthem Renewal	Negotiated Cost Mitigation for Medical			
2018	75.2%	5.9%	0.4%	\$250K	12.9%	-8.57%	
2019	76.1%	11.5%	0.0%	\$551K	10.9%	23.70%	
2020	95.0%	22.8%	9.9%	\$485K	10.9%	8.70%	
2021	87.4%	0.0%	0.0%	\$0	10.9%	13.3%	
2022	84.6%	12.5%	3.0%	\$432K	10.9%	-20.9%	
2023	88.3%	13.0%	2.0%	\$385K	12.0%	15.0%	
2024	84.3%	20.0%	6.6%	\$601K	13.9%	13.5%	
2025	78.4%	14.4%	3.5%	\$545K	12.4%	9.3%	
2026*	83.8%	19.9%	3.8%	\$844K	13.9%	13.3%	
2027	90.9%	17.4%	9.5%	\$424K	14.5%	7.5%	
Average		13.7%	3.9%	\$4.52M	12.3%	7.48%	

2027 California SoCal Carrier Pooled renewal average is estimated based on carrier trends data
PERS Choice/Platinum base on 2027 statewide renewal

Key Insights:

- SGMH medical plan experience has increase in most recent 12-month period resulting driven by high-cost claims, high pharmacy utilization
- The HMO medical loss ratio increased to 90.9%, with Anthem reporting total loss ratio for SGMH over 100%, inclusive of HMO & PPO experience
- Fully insured medical carriers typical target loss ratio is 85%



Self Funding Advantages and Disadvantages

ADVANTAGES

- + Lower component costs (administration fees, tax savings & admin fees)
- + Domestic steerage to SGMH facility
- + Elimination of carrier profit margin and risk charge
- + Cash flow benefit
- + Cost and utilization controls
- + Full transparency in data (Alliant Analytics)
- + Plan design and data control
- + Elimination of state-mandated benefits
- + Ability to customize disease management and utilization management functions
- + More effective Pharmacy (Rx) Management (Carve-Out) and Rx Rebates
- + Member disruption can be minimized if the network, plan design, pharmacy arrangement, and administration remain substantially comparable

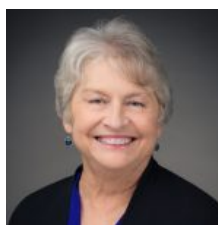
DISADVANTAGES

- Monthly claims fluctuation
- Large claimants can significantly hinder cashflow
- Poor claims year results in higher health care costs
- Additional administrative responsibilities
- Requires additional education for plan management team
- Longer term commitment / perspective

TAB E

Employee Complains Coworkers Speak in Foreign Language: What Now?

By **Sharon Novak** — August 7, 2026



We have nine employees in one office area. One employee complained that three of their coworkers speak to each other in another language. The employee is uncomfortable and feels excluded. Can we require everyone in this work group to speak only English?

Issues related to languages spoken in the workplace arise in multiple contexts and must be handled carefully. "English-only" rules risk claims of national origin discrimination.

Language Restrictions

California's Fair Employment and Housing Act (FEHA) presumes that policies limiting the use of any language in the workplace are unlawful. Employers have the burden of showing that restrictions are justified by business necessity and narrowly tailored to achieve their purpose (California Code of Regulations, Title 2, Section 11028(a)(1)).

"Business necessity" means an overriding legitimate business purpose. Employers also must demonstrate that they have no alternative but to establish language restrictions (California Code of Regulations, Title 2, Section 11028(a)(2)).

Most importantly, an employer cannot restrict the speaking of another language because an employee is uncomfortable (California Code of Regulations, Title 2, Section 11028(a)(3)).

Steps to Address Issue

1. Identify the employee's specific concerns.

Whenever an employee reports being uncomfortable because of their coworkers' behavior, it is important to find out the source of that discomfort.



Does the employee feel left out only because they do not understand the language being spoken? Or are there other reasons for their concern?

For example, do they believe their coworkers are talking about or ridiculing them? Is work-related information being shared in a foreign language? Do the conversations disrupt the working environment?

It is critical to understand the complaining employee's precise issue to determine your response.

2. Determine whether the employee is being harassed or intentionally isolated.

An employer should investigate any allegation that coworkers are mocking or ostracizing other employees. A foreign language should not be used to exclude someone from work opportunities, meetings, training or other job-related communications.

Poor conduct is always a concern — whether it's occurring in English or another language.

3. Assess whether a common language is necessary for business communications.

Employers can require that work-related communications be conducted in English when there is a legitimate operational reason or business necessity. Such reasons include:

- Daily interactions where work information is shared.
- Team meetings.
- Safety instructions.

The focus should be on ensuring effective business communication, not on prohibiting employees from speaking their native language.

Language restrictions must be tailored narrowly to meet the identified business necessity. It must be clear that employees are free to speak another language during breaks, meals and personal conversations.

4. Address team dynamics.

This employee's complaint may be less a language issue and more an employee relations and work team issue. The employer may need to remind the team of the importance of team cohesiveness and clear group communications.

There also may be a legitimate concern that the employees are engaging in idle chatter when they are supposed to be working. This is disruptive and has nothing to do with the language spoken.

5. Proceed carefully.

The law protects the right of employees to speak languages other than English in the workplace. However, an employer may have a legitimate business reason to require employees to communicate in a common language when engaged in business discussions.



The important distinction is that an employee feeling excluded is a legitimate employee relations concern, while coworkers speaking other languages generally is protected and, alone, does not support an English-only policy.

Because of the complexity of this issue, it is recommended that an employer consult with employment counsel before establishing any language restrictions.

Column based on questions asked by callers on the Labor Law Helpline, a service to California Chamber of Commerce preferred members and above. For expert explanations of labor laws and Cal/OSHA regulations, not legal counsel for specific situations, call (800) 348-2262 or submit your question at www.hrcalifornia.com.

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