



GOODHUE COUNTY MINNESOTA

TO EFFECTIVELY PROMOTE THE SAFETY, HEALTH, AND WELL-BEING OF OUR RESIDENTS

COMMITTEE OF THE WHOLE AGENDA
COUNTY BOARD ROOM
GOVERNMENT CENTER
RED WING, MN

AUGUST 18, 2020
7:30 A.M.

Virtual Meeting Notice

“Due to concerns surrounding the spread of COVID-19, it has been determined that in-person meetings or meetings conducted under Minn. Stat. 13D.02 are not practical or prudent. Therefore, meetings that are governed by the Open Meeting Law will temporarily be conducted by telephone or other electronic means pursuant to Minn. Stat. 13D.021.”

“The Goodhue County Board of Commissioners will be conducting a Committee of the Whole Meeting pursuant to this section on August 18, 2020 at 7:30 a.m. in the County Board Room. The County Administrator and/or County Attorney will be present at the meeting location. All County Commissioners attending will appear by telephone or other electronic means. The public may monitor the meeting from a remote site by logging into <https://global.gotomeeting.com/join/313554677> or calling [1 877 309 2073](tel:18773092073) any time during the meeting.” Access Code: **313-554-677**

1. 2020 Personnel Policy Updates.

Documents:

[8.18.20 Policy Report to Board.pdf](#)

2. Goodhue County Equity Review

Documents:

[Process Options Presentation.pdf](#)

[Process Options Outline.pdf](#)

[Process Options Report.pdf](#)



TO: Goodhue County Board of Commissioners

FROM: Melissa Cushing, Human Resource Director
Weston Wyatt, Summer Admin/HR Intern
John Smith, IT Director
Jessica Ahlbrecht, HR Generalist

DATE: August 18, 2020

RE: Committee of the Whole
2020 Personnel Policy Updates

The Goodhue County personnel policies were last updated in 2018. Attached you will see all of the policy updates for 2020. These draft policies have been reviewed by the Personnel Policy Committee, Management Team and the Labor/Management Committee.

The policies being reviewed are as follows:

1. County-Wide Telecommuting
2. Chapter 15 - Electronic Communications
3. Social Media Policy
4. Family and Medical Leave
5. 7.9 MN Parental Leave
6. 7.4 Sick Leave
7. 5.13 Longevity
8. Hiring Policy
9. Vacation
10. Transfer
11. Vehicle Policy
12. Dress Code
13. Overtime
14. Donated Leave
15. Continuation of Benefits Upon Separation

Issues for the Board to decide:

1. Hiring Policy – The common practice when an employee is promoted or moved into a new position with a higher wage potential, the employee would move to the next highest step on the new pay scale that gives the employee at least a 2% wage increase. Over time, there has been a wide range of discussion about whether this is a good practice for promotions or if this does not give the hiring manager enough

latitude to determine new wages based on the increased duties. The benefit of this practice is everyone is treated the same. The disadvantage of this practice is some employees may decide a 2% wage increase is insufficient for assuming a greater amount of responsibilities with their new position.

2. Hiring Policy and Transfer – In addition to the above issue, the common practice for departments is to go to the Board for permission to hire a new employee at any pay rate above a step 2. This is occurring in all departments.

The inconsistency occurs with promotions/demotions and transfers. Some, but not all, departments are asking the Board for permission to promote/demote and/or transfer an employee into a new position above a step 2. Some departments are asking for Board approval and some are not.

We are recommending Departments be required to ask for Board approval when hiring a new employee above step 2. We are also asking for latitude to promote/demote/transfer employees above step 2 without Board approval.

Telecommuting Policy

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Purpose of policy. In an effort to achieve the following benefits, Goodhue County sets forth a policy to define telecommuting, to guide decisions about appropriate telecommuting arrangements, and to clarify employee and County responsibilities and obligations when a telecommuting agreement is in place.

Guidelines:

Benefits of telecommuting can include the following:

- Improved employee recruitment and retention
- Improved employee morale and greater job satisfaction
- Reduced absenteeism
- Increased employee and work unit productivity
- Improved customer service through ability to focus on work
- Reduced travel time and costs
- Reduced worksite space and related overhead costs, including parking
- Improve disaster recovery and contingency strategy where dispersed workforce is advantageous

Legal references and authority. No legal constraints.

Definitions.

Telecommuting definition and scope. For the purposes of this policy, telecommuting is a voluntary arrangement, supported by a telecommuting agreement, between Goodhue County and the employee to conduct their work in a designated offsite workspace, most often the employee's home, on a regular basis.

Other arrangements whereby an employee works at a location other than their primary worksite – working with vendors, contractors, or clients, attending off site meetings or training, etc. – or an employee is authorized by a supervisor to work at home for the purposes of completing a brief project or other brief and time-limited arrangements, are not governed by this policy.

Telecommuting does not change the basic terms and conditions of employment.

Primary worksite definition. The Goodhue County office that the employee would primarily work at if not telecommuting.

Telecommuting worksite definition. The designated offsite workspace in which the employee will regularly conduct their work.

Goodhue County property definition. Supplies, equipment, data or documents provided by Goodhue County or produced by a Goodhue County employee, client, or other party related to Goodhue County business.

Minimum criteria for consideration of telecommuting arrangement. The success of a telecommuting arrangement is dependent upon the characteristics of the job, the employee, the employee's home technology, and the supervisor all being well-suited for such an arrangement.

Job minimum requirements. To be considered for a telecommuting arrangement, the employee's job must consist of duties that can be fulfilled while telecommuting, including the following:

- Does not require face-to-face contact with customers, clients, or co-workers at a primary worksite.
- Does not result in decreased internal or external customer service if conducted through telecommuting.
- Consists of duties that can be fulfilled while telecommuting.

Employee minimum requirements. To be considered for a telecommuting arrangement, the employee must meet the following minimum requirements:

- Be employed with Goodhue County for a minimum of 12 months of continuous employment. Exceptions may be granted to this requirement after consultation with the Department Head, the County Administrator, and the Human Resources Director.
- Be in compliance with Goodhue County policies.
- Meet or exceed expectations of their job, informed in part by the employee's most recent performance review.
- Have the ability to solve basic computer hardware and software problems; be able to connect all required hardware; understand how all hardware provided will be arranged within the intended telecommuting workspace; and have the necessary passwords and knowledge to connect provided hardware to employee's wired or wireless network.
 - Repeated requests for service to the IT Help Desk related to solving "basic computer hardware and software problems" may result in termination of an employee's telecommuting arrangement.

Technology minimum requirements. To be considered for a telecommuting arrangement, the employee's proposed telecommuting worksite must have Internet connectivity sufficient to meet the needs of the employee's job requirements. Internet speed requirements can vary depending on an employee's department, workload, schedule, etc., but telecommuting generally requires a minimum download/upload speed of at least 15 Mbps. Factors such as other users of the proposed Internet connection, Internet connected devices (cameras, cell phones, doorbells, etc.), audio/video streaming services, etc. need to be considered when evaluating Internet connectivity speed. It is the applicant's responsibility to ensure adequate Internet connectivity exists at the proposed telecommuting worksite prior to being approved for a telecommuting arrangement.

Other telecommuting worksite minimum requirements. In addition, the telecommuter's worksite must be established in a manner that enables the employee to:

- Work uninterrupted.
- Secure Goodhue County property for use only for Goodhue County business.
- Secure non-public, protected, and sensitive data from sight and sound by other parties in compliance with federal and state requirements.

Additional factors considered. When ascertaining whether a telecommuting arrangement is likely to be successful, the following additional factors will be considered:

- The needs of the employee's work team and division

- Team responsibilities
- Employee's work skills, including organizational, time management, self-motivation, reliability, and ability to work independently.
- Impact of telecommuting on the work of other employees
 - Goodhue County acknowledges that telecommuters may require different in-office support (such as printing and mailing documents, checking and responding to physical mail). Such support may be made available but only as agreed to by the affected employee's supervisor and only to the degree that it is not less efficient for Goodhue County in the aggregate as a result of the telecommuting arrangement. It is important that explicit communication about such arrangements be made as part of establishing the telecommuting arrangement.
- Telecommuting worksite location, including the distance from the primary worksite, distance from the employee's primary work duties, impact on ability to respond timely to work team needs, and impact on productivity
- Any other prevailing conditions identified by the supervisor after discussion with management.
- Seniority is not a factor in determining eligibility to telecommute.
- Telecommuters will have a workspace at a Goodhue County building but not necessarily their own and may have to share workspace with other telecommuters.

Telecommuting agreement requirements. In addition to continuing to meet the minimum requirements for consideration of a telecommuting arrangement that are identified above, the following requirements apply as well:

- Policy compliance. The telecommuter must comply with all Goodhue County policies. Failure to comply may result in revocation of the telecommuting agreement and/or other appropriate disciplinary action.
- Dependent care. The telecommuter must manage dependent care and personal responsibilities in a manner that would be appropriate if they were working at their primary worksite and in a manner that allows them to successfully meet job requirements. (i.e., Telecommuting is not an appropriate alternative to having dependent care in place.)
- Performance expectations. The telecommuter is expected to be at least as productive, if not more so, than an employee who regularly works at the primary worksite.
- Handling mail. The telecommuter is responsible for making arrangements to handle printing and mailing of their documents and checking and responding to their mail that arrives at their primary worksite in a manner that is timely, appropriate, and consistent with the preceding *additional factors considered* section on the *impact of telecommuting on the work of other employees* section.
- Telecommuter work schedule. Telecommuting itself does not alter an employee's work schedule. Any changes to a work schedule are handled in accordance with the work schedule policy.
- Telecommuter availability. The telecommuter is expected to be available at their telecommuting worksite by phone, video-conference, and email during scheduled work hours unless conducting business elsewhere on behalf of Goodhue County as appropriate or unless on approved paid or unpaid leave.

The telecommuter is also expected to be at a primary worksite or other designated location as necessary to attend meetings, training sessions, and as designated by the supervisor, including being called in to work at a primary worksite in special circumstances as deemed necessary by the supervisor, manager, or Department Head.

A limited number of telecommuting temporary work stations will be available at Goodhue County buildings for telecommuters to work at when they need to be in the office.

- Equipment malfunction. In the event of an equipment malfunction or internet connectivity weakness, the telecommuter will notify their supervisor and the IT department immediately. If the malfunction or connectivity situation precludes the telecommuter from working on assigned work at their telecommuting worksite, the telecommuter will be assigned other work, and/or report to their primary worksite, or be assigned by their supervisor to another worksite pending the repair of equipment or resolution of the connectivity weakness. Repeated circumstances of equipment failure or connectivity weakness may be cause for review of continued suitability of the telecommuting arrangement.
- Weather emergencies or other extenuating circumstances. If loss of electrical power, heat, or other circumstances preclude the telecommuter from safely and effectively working at their telecommuting worksite, the employee shall consult with their supervisor immediately and report to their primary worksite; unless other appropriate arrangements are made with their supervisor (including reporting to an alternative primary worksite or other approved location or taking PTO, vacation, or sick leave in accord with those policies) until the situation is remedied.
- Telecommuting worksite location, environment and safety. The telecommuter and the supervisor shall agree upon the location of the designated telecommuting worksite before the telecommuting agreement is executed. Subsequent changes to the location must be approved by the supervisor.

In determining the location of the telecommuting worksite, the telecommuter must consider data privacy and security requirements including both sight and sound aspects. The telecommuter's computer should be hardwired to the employee's home network to improve network reliability and speed and to help assure maximum productivity. Wireless connectivity is allowed, assuming all other speed and performance requirements are met.

The telecommuter is responsible for establishing and maintaining a safe work environment.

Goodhue County will not be responsible for the provision of or costs associated with the telecommuting worksite, including utilities, internet connection, remodeling, furniture, lighting, repairs or modifications to workspace, etc.

To facilitate contact with Goodhue County in the event the telecommuter is incapacitated, the employee will post the name and telephone numbers of the following in a visible location in their telecommuting worksite: their supervisor, manager, or Department Head and one co-worker.

The telecommuter (or their designee in the event of incapacitation) will provide access to their telecommuting worksite and Goodhue County property upon request.

The telecommuter may not conduct any client or customer meetings in their homes. Doing so will be cause for discontinuing the telecommuting.

- Goodhue County supplies, equipment, and property. Goodhue County will provide appropriate office supplies and equipment for the telecommuting employee as deemed necessary based on job-specific requirements, subject to change at any time.

The telecommuter will use Goodhue County equipment and supplies for Goodhue County business only. Unauthorized use by other parties is strictly prohibited.

All inventory supplied will be documented on the *Telecommuting Inventory Receipt*, (**Attachment B** of the Telecommuting Application and Agreement) and signed by the telecommuter and supervisor upon receiving inventory.

The telecommuter will protect Goodhue County property from damage or theft. No smoking will be allowed in the vicinity of Goodhue County property. Food and beverages will be handled with care around Goodhue County property.

Goodhue County will maintain equipment provided by Goodhue County.

Goodhue County accepts no responsibility for maintenance, repairs, or damage to employee-owned supplies or equipment.

Upon termination of the telecommuting agreement or employment, the telecommuter will return all Goodhue County property in acceptable working condition to the organization via arrangements made with the supervisor not to exceed two calendar weeks. Failure to return Goodhue County property or returning property in damaged condition may result in the telecommuter being required to reimburse Goodhue County for the cost of repair or replacement of such.

- Other business-related expenses. With prior approval, Goodhue County may reimburse the employee for Goodhue County business-related expenses that are reasonably incurred in accordance with job responsibilities.
- Liability and taxes. Goodhue County accepts no liability for third party injuries or property damage occurring at the telecommuter worksite. Goodhue County encourages telecommuters to consult with their homeowner's or renter's insurance agent to protect themselves as they deem fit.

Goodhue County holds no responsibility to address tax implications or zoning constraints or other related legal concerns for the telecommuter's use of personal real estate for telecommuting. Goodhue County encourages telecommuters to consult with their own tax and legal experts accordingly to understand and address any such implications or constraints.

- No cash or checks at the telecommuter worksite. A telecommuter may not take cash or checks to their telecommuting worksite.
- Theft or criminal activity. Telecommuters are responsible for contacting their supervisor and for filing a police report with their local law enforcement in a timely manner in the event of any theft or criminal activity related to Goodhue County property.
- Injury. The employee is obligated to provide prompt notice of an injury while telecommuting in accordance with Goodhue County's Worker's Compensation procedures.
- Data privacy and security.

Meeting data practices requirements. The telecommuter is responsible for meeting all federal and state data practices requirements while transporting non-public, protected, or sensitive data and while working with such data at the telecommuting worksite. The telecommuter must take all necessary precautions to secure and prevent unauthorized access to Goodhue County data, supplies and equipment. Steps include, but are not limited to, locking file cabinets and desks, and regular password maintenance.

Transporting data. Transportation of non-public, protected, or sensitive data must be done in a locked bag. Such data is permanently stored at the primary worksite, with the only data that is transported limited to that which is necessary to conduct work assignments before returning to the primary worksite.

Destroying data. Destruction of any physical data must be done in accordance with data retention and destruction requirements and done at the primary worksite.

Compensation for telecommuter travel time.

1. *Commuting.* An employee shall not be compensated for time commuting between their primary worksite (Goodhue County office) and their telecommuting worksite.
2. *Other.* When an employee does not report to their primary worksite during the day or makes business calls before or after reporting to their primary worksite, the allowable compensated time shall be:

- The lesser of the time from the employee's telecommuting worksite to the first stop or from their primary worksite to the first stop;
- All time spent traveling between points visited on Goodhue County business during the day;
- The lesser of time spent traveling from the last stop to the employee's telecommuting worksite or from the last stop to their primary worksite.

Compensation for mileage. Compensation for mileage shall be made in accordance with the **Goodhue County Personnel Policy. [LINK](#)**

Telecommuting trial period. Each new telecommuting agreement is subject to a trial period not to exceed 90 days.

Review during trial period. Evaluation of telecommuter performance during the trial period will minimally include interaction by phone and/or e-mail between the supervisor and the employee, and monthly in-person meetings to discuss work progress and challenges. During the trial period, the employee and supervisor will each evaluate the arrangement and its effectiveness, making recommendations for continuing, continuing with modifications, or terminating the telecommuting agreement. The employee's supervisor will document the evaluation using **Attachment A of [Telecommuter Application and Agreement](#)** [Link](#). Once the review has been completed, provide the employee a copy, and send the original to the Human Resources Department for inclusion in the employee's personnel file.

Annual review of telecommuting agreement. Each telecommuting agreement will subsequently be evaluated annually at the time of the employee's regular performance review with continued suitability to be documented as part of the review. At this time, the employee's supervisor shall also consult with the Goodhue County IT Department concerning the employee's ability to meet the minimum technology requirements including consideration of the employee's volume and type of IT help desk tickets.

This does not preclude more frequent review if the situation merits.

Termination of agreement during trial period. At any time during the trial period, the telecommuting agreement may be terminated by Goodhue County or the employee with a 24-hour notice.

Employee termination of telecommuting agreement. An employee may terminate their telecommuting agreement and return to a traditional work arrangement upon 30-days written notice to the supervisor and upon the availability of office space at the primary worksite, unless a shorter period is mutually agreed to. The notice should include the date the employee intends to terminate the agreement and their reason for doing so.

Employer termination of telecommuting agreement. Telecommuting may be discontinued by Goodhue County. When practical, Goodhue County may provide a two-calendar-week advance notice of intent to terminate the agreement. Reasons for termination of the telecommuting agreement may include, but are not limited to:

- Non-compliance with the telecommuting agreement. This may result in immediate termination of the agreement.
- Declining performance or changes in organizational needs.

Attachment A- Goodhue County Telecommuting Application and Agreement

Attachment B- Goodhue County Telecommuting Inventory Receipt

Goodhue County Telecommuting Application and Agreement

Attachment A

EMPLOYEE SECTION

Employee: Complete and review this Telecommuting Application and Agreement with your direct supervisor to be considered for a potential telecommuting arrangement.

Desired target

date: Employee

Name: Job

Classification:

Supervisor

Name:

If telecommuting will be **part-time**, indicate which days you intend to

telecommute: Mon Tues Wed Thurs Fri

Other:

 Please check and complete ALL items in the employee section.

MINIMUM REQUIREMENTS

Position meets the minimum requirements to be considered for telecommuting:

- Job duties can be fulfilled while working nearly all the time away from the primary worksite.
- Job duties do not require face-to-face contact with customers, clients, or co-workers at the primary worksite.

By telecommuting, employee service to internal or external customers will not be decreased.

Individual meets the minimum requirements to be considered for telecommuting:

I have been employed with Goodhue County for a minimum of 12 months of continuous employment.

I am in compliance with all Goodhue County policies. I meet or exceed expectations for my job:

- My most recent performance review shows that I meet or exceed expectations.
- I do not have a performance improvement plan.
- I am not aware of any performance issues that could preclude me from telecommuting.

Individual meets the minimum technology preparedness to be considered for telecommuting: have the ability to solve basic hardware and software problems.

I have a clear understanding of my proposed telecommuting worksite network set-up and how to connect Goodhue County equipment to it.

PROPOSED TELECOMMUTER WORK SITE

Street and city address:

Location of workspace within building. Please describe:

Designated contact person who can enable Goodhue County to enter telecommuter worksite in the event I become incapacitated:

Name

Relationship

p:

Phone and email address

MINIMUM REQUIREMENTS OF TELECOMMUTER WORK SITE

- The telecommuter worksite has a minimum internet connection speed required to efficiently and effectively complete assigned work duties
- I have reviewed the MCIT Brochure on ergonomics and have a plan to implement the recommended office set-up.

TELECOMMUTER WORK SITE DISRUPTIONS AND

The telecommuter worksite is located in a place that will enable me to work uninterrupted. Please review and check items below as appropriate.

- There are no dependents who require care or supervision who live at the telecommuting worksite.
- There are dependents who require care or supervision who live at the telecommuting worksite. Below is my plan for addressing their care or supervision to enable me to work uninterrupted.

Outline plan:

- Goodhue County property will be secured for use only for Goodhue County business and without handling by others at the

- telecommuting worksite as follows: Please explain.
The telecommuting worksite will enable me to secure non-public, protected, and sensitive data in compliance with federal and state requirements. I will secure information from sight and sound by other parties as follows: Please explain.

ADDITIONAL FACTORS THAT MAY IMPACT THE SUCCESS OF TELECOMMUTING

Please respond to the following questions:

What are the primary reasons for requesting to telecommute?
How will you adequately plan for any down-time due to unexpected equipment failure, or other unexpected situations that prevent you from fulfilling your work obligations?

How would telecommuting positively affect your internal and external customers?

How will you maintain or exceed performance while telecommuting?

How will your direct supervisor know you are meeting or exceeding expected productivity levels of work while telecommuting?

How do you plan to avoid distractions at your telecommuter worksite and stay on task?

How will telecommuting impact the work of other employees?

How will you handle printing and mailing documents, and checking and responding to your in-coming mail that arrives at your primary worksite?

How will you will stay connected to your work team?

Are there any concerns that you have about telecommuting? Do you have ideas on how to mitigate those concerns?

Any additional comments?

Rate how the following characteristics apply to you and insert any relevant comments regarding the rating selected and its impact on your ability to successfully telecommute:

Characteristic	Score 1=Low 2=Med 3=High
Ability to organize time well, be self-disciplined, productive, and punctual. Comments:	
Ability to work independently with minimum feedback from peers or supervisor. Comments:	
Ease in resolving significant business issues by phone. Comments:	
Ability to routinely work off-site without feeling socially or professionally detached. Comments:	

EMPLOYEE AFFIRMATIONS AND SIGNATURE

Please review and check each statement below to indicate your agreement.

- I have read, understand, and should my application be approved, agree to comply with the Goodhue County Telecommuting Policy and Procedure Statement. I understand that this includes compliance with all other Goodhue County policies and procedures, including but not limited to those related to: data practices, use of Goodhue County equipment, technology use, remote technology user access, handling out-going mail, work hours, compensated time, and mileage reimbursement.
- I understand that this agreement may be terminated by me or Goodhue County in accordance with the Goodhue County Telecommuting Policy and Procedure statement.
- I understand that by entering into an agreement to telecommute, I will be working in a situation that increases public scrutiny of me as a public employee and that my performance as a telecommuter has an impact on the entire agency's ability to authorize telecommuting arrangements.**
- I understand that this agreement authorizes Goodhue County or its designee to enter the workspace in which Goodhue County property is kept at the telecommuter worksite.
- I agree to notify my supervisor immediately should there be any changes to my proposed telecommuter work site. Including but not limited to: address, location in building, dependent care on premises, etc.
- I understand and agree that if there is any failure of the hardware used for telecommuting that cannot be resolved remotely, that I am responsible to deliver the hardware to the Goodhue County office for service. If the hardware cannot be brought in person, I will at my own expense, return the hardware to Goodhue County via mail or shipping service, insured for the value of the current replacement cost of the item.
- I understand and agree that the Goodhue County Information Technology Department may request I return any or all equipment provided for telecommuting for the purposes of inspection, inventory,

hardware/software updates, or any other reasons, at any time, and that I will provided requested equipment with 5 business days of such a request.

- I understand and agree that I will be required to return to my assigned work site at the Goodhue County office if I am unable to successfully and securely connect and work from my proposed telecommuting work site. (Please refer to the compensation for telecommuter travel time and compensation for mileage sections of the Goodhue County Telecommuting Policy and Procedure Statement.)
- I understand that if I am unable to successfully connect to the Goodhue County network to complete my work during my approved work hours for any reason other than a Goodhue County network outage that affects all Goodhue County staff at my primary work location (and, I am unable to report to work at my designated Goodhue County office in a reasonable period), I am required to use my vacation/comp-time equal to my assigned work hours for any time I was unable to work. I further agree that I will document and keep my supervisor informed each time this occurs.
- I understand and agree that if at any time while working as an approved telecommuter, I decide to terminate my employment with Goodhue County, it is my responsibility to return all hardware, paperwork, and any other work related items to Goodhue County. I will do this in person or via insured mail or shipping service insured for the current replacement value of the equipment, prior to my last business workday. I am responsible for this expense and making all necessary arrangements and meeting all legal requirements of any entities between my proposed telecommuter work site and delivery to the Goodhue County offices.

Employee signature:

Date:

SUPERVISOR AND DIRECTOR SECTION

Processing instructions for supervisor, program manager, and director

If the application is **denied**, please initial and provide the reason for the denial. You must review it with the division manager, and if still denied, sign it. Review with the employee and provide the employee a copy. Forward the original to human resources.

If the application is **approved**, please initial and provide any relevant information that contributed to the approval. Sign the form and forward to the division manager for approval. If the telecommuter is proposing a work site outside of Goodhue County contiguous county area, the application requires final approval by the Department Head.

When the application is fully approved, provide a copy to the employee and to the Human Resources Department, and notify the Goodhue County Information Technology department.

SUPERVISOR AFFIRMATIONS AND SIGNATURE

Please check each item below as appropriate.

- I have reviewed the entire application and discussed the potential arrangement in- depth with the employee.
- I recommend the application and offer the following supportive comments:

(If application is denied refer to processing instructions at the beginning of this section.)

Application recommended for approval as follows:

- The telecommuter's worksite as described in the application is acceptable.
- I have discussed the proposed arrangement with the space planner and Office Support Services supervisor.

"To effectively promote the safety, health, and well-being of our residents"

The telecommuter's printing and mailing of documents will be handled as follows and this has been reviewed with

the affected staff and approved by their supervisor:

The telecommuter's mail that arrives at the primary worksite will be handled as outlined below. This has been reviewed with the affected staff and approved by their supervisor:

I recommend the following equipment be issued to the employee for telecommuting purposes:

Equipment	Estimated cost	Already provided to employee at primary worksite and is available for telecommuting	Supervisor recommends additional equipment for telecommuting
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>

		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>

Supervisor Signature: _____

SUBMIT COMPLETED FORM TO IT AND HR

DIRECTOR AFFIRMATIONS AND SIGNATURE

(Required for all proposed work sites that are outside of Goodhue County.)

Director: Review and approve or deny. Provide reason, sign the form and return it to the program manager to review with supervisor and the employee.

I have reviewed the application and given it my full consideration.

APPROVED

DENIED

Comments:

Director Signature: _____

Date: _____

"To effectively promote the safety, health, and well-being of our residents"

TERMINATION OF PREVIOUSLY APPROVED AGREEMENT INSTRUCTIONS

If the agreement is terminated - supervisor will:

- Notify the HR and IT Departments that the telecommuting arrangement is terminated and the effective date of termination.
- Collect all Goodhue County property no longer needed for the employee's work arrangement.

Appendix A

Telecommuter 90-Day Review

Employee Name: _____

This agreement will be re-evaluated annually during the employee's annual review.

Review Date	Employee Initials	Supervisor Initials	Defined Expectations	Expectations Met Y/N and any Comments or Changes to Telecommuting Arrangement
			1.	
			2.	
			3.	
			4.	
			5.	
			6.	
			IT – Employee has demonstrated the minimum level of technical proficiency to continue in a telecommuting work arrangement	

Supervisor will submit a copy of the Telecommuter 90-Day and Annual Review to HR for the employee's personnel file.

Supervisor signature:

Date:

Employee signature:

Date:

"To effectively promote the safety, health, and well-being of our residents"

Chapter 15 – Electronic Communications

15.1 TECHNOLOGY USER POLICY

Goodhue County Information Technology (IT) is the integrated hardware and software used by the County to create, modify, store, and share data. As such, it is an integral part of business at Goodhue County. The County has made a substantial investment in human and financial resources to support this technology.

The enclosed policies have been established in order to protect this investment, safeguard the information contained within this technology, reduce business and legal risk, and to protect the good name of the County consistent with statutory obligations for data security.

All data within Goodhue County information technology is the property of Goodhue County and is not to be used for employee personal gain or to support or advocate non-county related business or purposes.

Responsibilities of the Goodhue County Information Technology Department:

- Provide a secure, reliable computing network.
- Assist users in defining and planning for their technology needs.
- Provide the best technical solution available after consideration of user needs, department needs, County needs, costs, resources, availability, and timeliness.
- Provide consultation to users planning technology projects.
- Recommend appropriate hardware and software.
- Maintain inventory records of computer hardware and software used throughout the County.
- Support a standard set of computer hardware and software for the County to ensure compatibility, cost effective training, and volume discounts. The standard set of computer hardware and software may be supplemented to meet a department's identified technology needs, as coordinated with IT.
- Facilitate the purchasing of Department Head-approved computer hardware and software.
- Support County employees with their use of IT-approved information systems.
- Provide off-hours support for critical IT systems.
- Track licenses for all county owned software.
- IT does not support employee-owned computer hardware and software.

Responsibilities of all Goodhue County employees:

- Contact IT immediately upon discovery of problems with information technology.

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- Provide detailed requests for service or support to the IT Department Help Desk.
- Understand the appropriate use of computer hardware and software.
- Adhere to IT/County-wide policies and procedures.

Computer Equipment

Hardware/Software - The County must ensure that computer technology is not misused. Hardware, software, and IT services will be purchased with compatibility for current applications and for future networking and data sharing. The County therefore requires the following:

- All hardware and software purchases must be approved by and coordinated with the IT Department.
- Any contracting with vendors for IT projects, software, or equipment will be approved by and coordinated with the IT Department.
- No software or hardware may be installed or run on County equipment that is not approved by the IT Department. This includes personally purchased software, any download from the Internet, or any other services, as well as software provided by vendors or other outside agencies.
- No computer equipment may be connected to the network without IT Department approval.
- Computer equipment shall not be taken off-site without approval from the Department Head and IT.
- Computer equipment should not be moved, reassigned, reconfigured, or otherwise changed without notifying IT.

Data Storage

Default computer settings include having all data stored on a County server. Data stored on the servers is backed up on a regular basis.

- No personal files of any kind are to be stored on the server. This includes pictures, movies, music, or other non-work related files. Personal files stored on the server may be deleted at any time, without notice.
- No software (e.g. executable or “exe” files) is allowed to be stored on the server without the consent and approval of the IT Department.
- County employees are expected to make sensible and efficient use of server storage by deleting unused data files on a regular basis. This includes temporary copies of files, duplicate files, outdated information, etc.
- Employees are not to utilize on-line or cloud-based data storage/sharing services to backup, store, or transmit County related information or data.
- Data stored on personal hard drives (such as the internal “C” drive of a computer) is not backed up and is not transferred to a new computer as part of an upgrade or replacement. The County is not responsible for lost data on personal drives.

Personal Use of County Computer Equipment

The county's computer equipment is provided to support County business and is to be used primarily for business related purposes. Except as authorized by an employee's Department Head consistent with the safe use provisions of this policy, personal use of the County's computer equipment is limited to occasional incidental use.

External Network Devices

Only devices approved by IT may be connected to the County network. IT support for approved devices is limited to basic installation, configuration, and troubleshooting.

Networking

Any modifications to Goodhue County's network and/or any connectivity issues must be approved by the IT Department. The IT Department will provide all networking support including cabling consultation and contracting of services.

Wireless Networks

All wireless networks that either connect to Goodhue County's network infrastructure or operate within Goodhue County facilities must be designed, installed, and maintained by IT.

IT will conduct regular searches for installed wireless networks in Goodhue County facilities to ensure security, effectiveness, and compliance with this section.

Email

Security

The Goodhue County email system is not intended to be a method of transmitting information in a secure manner outside of the County network. Data whose release to unauthorized individuals would be a violation of law or regulation or would subject the County or any employee to damages should not be placed on the email system. Users of the email system should always be aware that any communication may be accessed by unauthorized individuals either within or outside of the system.

All in-bound email messages are scanned for viruses, spam, and questionable content, and suspicious email is sent to a user's "quarantine" folder. Details on how to access the quarantine folder, release messages, block senders, etc. can be obtained from the IT Department.

Data Classification

All email messages are subject to the Minnesota Government Data Practices Act and are discoverable to the subject of the data and to others pursuant to the provisions of that statute. Messages that are subject to special controls, such as attorney-client communications, should be clearly marked as such and handled accordingly.

Retention

Email is only to be used for communication of information that is not the subject of retention schedules and will be disposed of immediately after action or review. Unless designated and preserved in printed form by County staff, email is not an official communication of the County and must not be used for transmitting information that is part of the official record. For business purposes, all email messages sent or received on the county email system,

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including attachments, will be retained for 36 months, at which time they will be permanently deleted from the system. In the event that record retention is involved, a permanent copy of the message must be made and handled in accordance with Minnesota Statutes. In the event of litigation that has or may result in a request for certain County email messages, the County Attorney or County Administrator may direct staff to refrain from the destruction of messages until further notice.

Former Employees

Access to the email system terminates at the time an employee leaves employment with Goodhue County.

Internet

Access

Access to the Internet is limited to the official business of Goodhue County and must be done using the Goodhue County network only.

Management Practices

IT will provide reports when requested by Department Heads and the County Administrator of Internet usage within departments. Department Heads are responsible for ensuring that usage is appropriate to their departmental policies.

System Use

Users must limit their access to time actually spent searching for and reviewing information. Programs and tools that continually search and update information are not permitted. These programs constantly interact with an external website on the Internet to update information on a county computer. This interaction consumes valuable network bandwidth and computer resources, and presents the possibility to download malicious code and/or viruses.

Content Filtering

Goodhue County utilizes a filtering program to limit and monitor access to websites. Department Heads are responsible for justifying exceptions to blocked websites. Even with the filtering program, Department Heads should still be diligent in monitoring staff usage of the Internet. Reports from IT are available for this purpose.

Access to email systems other than the Goodhue County email system is prohibited.

County Websites

Public Website

The public website is designed to provide citizens of Goodhue County and other interested parties access to public information retained by Goodhue County. The site content will vary over time as improvements are made and as timely information is posted and removed. The County reserves the right to determine content. The IT Department will oversee maintenance of the site and adhere to direction provided by the Board and County Administration. Departments, with the approval of the Department Head, will make timely updates directly to their web pages.

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Internal Website

The internal website (intranet) is designed to provide Goodhue County employees access to information that relates to their workplace and to their County-offered benefits. The site content will vary over time as improvements are made and as timely information is posted and removed. The County reserves the right to determine content. The IT Department will oversee maintenance of the site and adhere to direction provided by the Board and County Administration. Departments, with the approval of the Department Head, will make timely updates directly to their web pages.

Password

Goal

It is Goodhue County's goal to provide a secure environment for all County data, hardware and software programs. To provide security for our computerized environments as required by the State of Minnesota, by our customers, and by our employees, we must maintain password security. The following information outlines the steps required of each employee to maintain password security.

Password Control

Passwords must be maintained by individual employees. IT will assign an initial temporary password when an employee account is created. An IT system account request form must be completed by Human Resources in order to create a new account. The first time the employee signs on they will be required to change the temporary password assigned by IT to his or her own unique password.

Employees are responsible for maintaining the security and integrity of their passwords. Passwords are not to be shared with anyone at any time for any reason, including with co-workers, managers, or IT staff. Passwords should be changed immediately if there is any suspicion that it may have been compromised. For temporary or contract personnel requiring access to the County network, Department Heads will contact the IT Department to request a temporary user account providing the minimum network access permissions required for the engagement.

Human Resources must notify IT or other specified persons of the resignation, termination or reassignment of staff. This is necessary to ensure that proper and timely changes are made to system access privileges, protecting our systems against unauthorized or improper access.

Passwords that are obvious, such as nicknames, dates of birth, spouse's or children's name, hobbies, should not be used. The requirements of password length and format are available on the internal website. System software will enforce the changing of passwords and the minimum length and format.

Users must never allow the system to remember or save passwords.

Telephone

Goal

This policy is intended to cover the use of county telephones to assist employees in the performance of their tasks.

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Use

County employees are expected to keep personal telephone calls and electronic communications to a minimum during normal working hours. County employees are not authorized to make personal long distance calls without reimbursing the county.

Retention of Voice Messages

Voice messages are intended for communication of information that is not the subject of retention schedules and will be disposed of immediately after action or review unless designated and preserved in printed or recorded form by County staff. Voice messages are not an official communication of the County and must not be used for transmitting information that is part of the official record. In the event that message retention is required, a copy of the message can be made and handled in accordance with Minnesota Statutes. Voice messages more than 30 days old will be deleted whether reviewed or not. In the event of litigation that has or may result in a request for certain County voice messages, the County Attorney or County Administrator may direct that destruction of voice messages, or a certain portion of them, shall cease until further notice.

Rules of Use for Various Forms of Communication

Acceptable/unacceptable content:

- The employee's communications utilizing County equipment are subject to the Offensive Conduct, Harassment and Violence Policy. This applies during both work time and non-work time.
- Messages that disclose private or confidential data are prohibited, e.g., violation of Minnesota Government Data Practices Act, HIPAA, during both work time and non-work time.
- All communications utilizing County equipment must be respectful and professional, and should not be disparaging or derogatory about the County, its officials or its employees.
- Employees are prohibited from utilizing County equipment to access non-work related blogs, message boards, chat rooms, and other similar social media forms and means of communication, during both work time and non-work time.
- There is no expectation of privacy in information stored on employer property (computers, cell phones, pagers, smart phones, etc.). The County may monitor and audit employee use of county equipment including but not limited to: Internet use, content of emails, content of text messages, photographs stored on County equipment, use of County telephones, etc.
- Consequences for violating the Technology Use policy may fall under Article 13, Separations and Discipline.

15.2 CELLULAR DEVICE POLICY

Updated 1/1/2015

Goodhue County recognizes that cellular devices are tools needed to help manage county business efficiently.

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The goals of this policy are to minimize internal and external auditing, increase accountability from the users of the listed property, and control spending. This policy recognizes that no single approach will work for all county employees. It is the county's intent to minimize the number of cellular plans as determined by good business sense.

All plans will be reviewed by the Management Team as needed.

Definitions

Cellular Device A cell phone, smart/data phone, tablets, or other cellular equipment capable of wireless communication available commercially and to the general public without licensure.

Cellular Plan Plan(s) purchased by the county to provide cellular service.

Personal Use Personal communications not related to county business.

Procedures for County Departments

Department Head/Supervisor Responsibilities

- It is the responsibility of Department Heads and supervisors to assure that cellular devices are being used to efficiently manage the county's business in conformance with this policy. These managers will determine which employees have a demonstrated need for a county-owned device, what type of a device to issue them, usage limits, and other procedures to ensure the use of cellular devices are used in compliance with the goals of this policy.
- Department Heads have the authority to waive the reimbursement in some situations, as defined in the Reimbursement Waiver subsection.
- Department Heads shall evaluate their department's plans and devices on an annual basis to ensure they meet the appropriate business needs.
- Any cellular devices/plans that could impact the county network infrastructure must meet the approval of the IT Department.

Department Employee Responsibility

- Employees using cellular devices are subject to all the laws concerning data practices and HIPAA compliance.
- Employees issued cellular devices will take every precaution to safeguard the device. Should the cell phone be lost, the Department Head and the IT Department must be notified immediately. Upon leaving county employment, the cellular device will be returned to the Department Head.
- Goodhue County IT reserves the right to remotely wipe county-issued portable devices such as smart phones or tablets that are configured to receive County email in the event that the device is lost or stolen, or if IT determines that its security has been compromised. It is the employee's responsibility to make regular backups of the device data (sync). Wiping the device means that all the data is removed, including personal files and applications.

Types of Cellular Devices

Check-Out County-owned Cellular Devices

- These devices are retained by departments and are assigned to employees by that department unless otherwise coordinated with IT. These devices are for those who need to periodically carry a cellular device, as determined by the Department Head.
- These devices should not be used for personal use at any time, except in emergencies. The Department Head is responsible for ensuring that check-out phone usage is not abused.
- The county will select the cellular service provider(s).

Assigned County-owned Cellular Devices

- These devices are assigned to employees who meet any of the following criteria:
 - Are mobile during work hours and need the cellular device to conduct county business as determined by Department Head.
 - Are required to carry the cellular device during non-working hours, such as “on-call” or “call-back to duty” status.
 - Need to carry a cellular device for another specific reason, as determined by the Department Head.
- The county will select the cellular service provider(s) and appropriate plans.

Employee Owned Device

- An employee may receive Department Head approval to use their personal cellular device for conducting county business.
- The employee may be reimbursed by the county for the minutes, texts, and data access used in a given month while conducting county business in accordance with the following:
 - Reimbursement to the employee for County work-related minutes accrued on employee’s personal cellular device: \$.07 per minute
 - Reimbursement to the employee for each County work-related text message accrued on employee’s personal cellular device (if there are separate charges): \$.15 per text
 - Reimbursement to the employee for costs of data access on the employee’s personal cellular device will be according to their personal plan: up to a maximum of \$30/month
- The employee must submit a bill highlighting these calls, texts, and data access in a voucher to the Department Head within 30 days after the billing end date.
- If a continuing business need is demonstrated to the Department Head, an employee may be reimbursed on a recurring basis up to \$30 per month by the county for data access charges. The reimbursement process in these cases will be automated in coordination with the Finance Department.
- The Department Head is responsible for ensuring that the employee is reimbursed according to the policy.

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Social Media Policy

I. Purpose

Material circulation in Social Media has a vast base and it is paramount that our organization has a policy in place to legally protect us while guiding our interaction with the public.

The purpose of this document is to establish practical, reasonable and enforceable guidelines by which our employees can conduct responsible, constructive Social Media engagement in both official and unofficial capacities.

II. Scope

This policy applies to all Goodhue County employees, approved volunteers, consultants, service providers and contractors performing business on behalf of Goodhue County. **This policy is not applicable to the County's elected officials.**

III. Definitions

Social Media: Umbrella term to describe various forms of communication such as social networking sites, blogs, wikis, message boards, chat room, electronic newsletters, user rating services and any other online collaboration, sharing or publishing platform, whether accessed through web, mobile device, text messaging, email or any other existing or emerging communications platform.

Social Media Administrators: Person or committee in-charge of maintaining Social Media accounts on behalf of the county.

County: Goodhue County Office

User Profile: Account created by the county department to represent county.

Controversial Issues: Issues that form the basis of charged debate that often provoke strong emotional response. Examples include political or religious views, healthcare reform, gun control, etc.

Message: post/comment/image or any other form of Social Media message containing information, question or response sent/received by the public/county.

Personal Interaction: Use of Social Media by the employees of the Goodhue County for personal purpose that is NOT on behalf of the Goodhue County.

IV. Policy

1. Public Policy

Sites that allow public comment shall inform visitors of the intended purpose of the site and provide a clear statement of the discussion topic introduced for public comment. It is important that the public is aware of the limited nature of the discussion and that inappropriate posts are subject to removal, including but not limited to the following types of postings regardless of format (text, video, images, links, documents, etc.):

(THE SECTION WITHIN THE ASTERISKS MAY BE USED TO COPY AND PASTE IN THE DETAILS/ABOUT ME SECTION OF COUNTY SOCIAL MEDIA PAGE FOR PUBLIC INFORMATION)

- o Comments not topically related to the particular Social Media article being commented upon;
- o Comments in support of or opposition to political campaigns or ballot measures;
- o Profane language or content;
- o Rude, disparaging or discourteous comments directed at specific individuals, groups, or organizations
- o Content that promotes, fosters, or perpetuates discrimination on the basis of race, creed, color, age, religion, gender, marital status, status with regard to public assistance, national origin, physical or mental disability or sexual orientation;
- o Sexual content or links to sexual content;
- o Solicitations of commerce and posting ads
- o Illegal conduct or encouragement of illegal activity
- o Information that may tend to compromise the safety or security of the public or public systems
- o Content that violates a legal ownership interest of any other party;
- o Comments or content that harass or advocate harassment of another person;
- o Comments or content that poses or creates a privacy or security risk to another person
- o Comments or content soliciting or designed to solicit passwords or personal identifying information
- o Comments or content that includes a photograph or video of another person posted without the person's permission and consent

These guidelines must be displayed to users or made available by hyperlink. Any content removed based on these guidelines must be retained, including the time, date and identity of the person who posted when available.

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2. Social Media Management Policy

This section is to aid the County in following policies designed to help in the management of Social Media profiles. Certain requirements need to be met in order to create, run and maintain a user profile.

2.1 Management Responsibilities:

- 2.1.1 Department use of Social Media technology shall conform to this policy as well as all other applicable county policies, protocols, and procedures.
- 2.1.2 A Department Director's decision to utilize Social Media shall consider the department's mission and goals, audience, technical capabilities, potential benefits, and potential costs or risks. Department Directors are responsible for determining who is authorized to use Social Media on behalf of the department, and for designating appropriate access levels
- 2.1.3 Each department may create a procedure manual for employees to follow that adheres to this Social Media policy.

2.2 Account Creation:

- 2.2.1 For any official Social Media profile created, the County Administrator's Office and the IT Department must have access as an Administrator of the page.
- 2.2.2 All Social Media accounts must be authorized by the County Administrator's Office and the IT Department prior to being created. Social Media network access shall be limited only to those with a clear business purpose to use the forum.
- 2.2.3 County Social Media network accounts shall be created using an official County email account.
- 2.2.4 A Department may request approval of additional Social Media networks as needed using the appropriate form(s).

2.3 Authorized Use:

- 2.3.1 A Social Media Administrator must be designated, who shall assume the responsibility to oversee the department's Social Media activity and policy compliance.
- 2.3.2 Authorized users shall be provided a copy of the County's Social Media policy and are required to acknowledge their understanding and acceptance via signature.
- 2.3.3 Account password information shall only be shared with authorized staff that has been designated by the Department to fulfill the role of the Social Media account Administrator.

2.4 Content Management:

- 2.4.1 Official county pages/profiles or forums may not be used by any employee or representative for personal financial gains, private or personal purposes or for expressing their personal views on any issues.
- 2.4.2 All County Social Media page postings and updates must be approved by Social Media Administrator.
- 2.4.3 The County and its designated officials may monitor content on each of the Social Media sites to ensure adherence to the Social Media Policy for appropriate use, message and branding consistent with the goals of Goodhue County.
- 2.4.4 Sites shall contain visible elements that identify them as an official Goodhue County page. Among other items, this includes displaying official Goodhue County seals, department brands, contact information and a link to department websites.
- 2.4.5 Information shared through Social Media channels shall fully comply with Department policies and procedures and shall not disclose confidential or proprietary information.
- 2.4.6 Departments shall maintain a record of Social Media sites created that includes, but is not limited to:

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a log file containing the name of the Social Media network, account id, password, registered email address, date established, authorized representative(s) and the name of the person who created the account.

2.5 Interaction with Public

- 2.5.1 Department Social Media Administrators shall review site activity and content daily for violation of public policies listed in Section 1 of this policy.
- 2.5.2 Upon receiving any form of message from the public, which includes posting, comments, images, and any other forms of Social Media communication with the intent to interact with the county, the following possible actions could be taken:
 - 2.5.2.1 Reply: If the message is compliant with the public policy and seeking information, only the authorized staff is allowed to reply with correct information. The provided answer must be thoroughly verified for accuracy, spelling and grammar.
 - 2.5.2.2 Delete: If the message is NOT compliant with the public policy, the post/comment/image or any other form of Social Media message must be deleted. If the message seeks for information, the authorized staff may still reply with an answer and a response as to why their message was deleted.
 - 2.5.2.3 Block: If a public user repeatedly violates the public policy listed in Section 1 of this policy, they may be blocked by the authorized staff.
- 2.5.3 All interactions with public involving controversial issues must be logged by the Social Media Administrator.

2.6 Social Media Archiving:

- 2.6.1 All Social Media Interaction and content posted shall be archived by the Social Media Administrator.

3. Policy for Personal Interaction with Social Media

This should help the employees of Goodhue County be informed on how to interact with Social Media with their personal profiles. Failure to comply with these Social Media policies may result in disciplinary action, up to and including termination. Failure to comply may also result in civil or criminal penalties as provided by law. All employees must abide by the following guidelines:

3.1 Guidelines for posting content:

- 3.1.1 Refrain from using Social Media sites in a manner that may damage or reflect discredit to the County's good reputation by posting content created, owned, associated with or held as a custodian by the County, including but not limited to intellectual property, trademarks, logos, copyrighted material, or images depicting County uniforms, vehicles, facilities, or other items identified with the County or its business partners.
- 3.1.2 Do not engage in prohibited Social Media conduct including posting commentary, content, or images that are defamatory, pornographic, proprietary, harassing, libelous, or that can create a hostile work environment.
- 3.1.3 Do not engage in harassment, threats, intimidation, ethnic slurs, personal insults, obscenity, racial or religious intolerance and any other form of behavior prohibited in the workplace is also prohibited via Social Media channels.
- 3.1.4 Do not publish, post or release any information that is considered confidential or not public. If there are questions about what is considered private or confidential, check with the Human Resources Department and/or supervisor.
- 3.1.5 Do not publish, post or advocate any information that promotes illegal behavior.

3.2 Usage of Social Media during work:

- 3.2.1 Accessing Social Media for personal purposes during work hours is not permitted, except under the following circumstances:

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- 3.2.1.1 When brief personal communications may be warranted by extenuating circumstances (e.g., inform family of extended hours).
 - 3.2.1.2 During authorized breaks; such usage should be limited as much as practicable to areas out of sight and sound of the public and shall not be disruptive to the work environment.
 - 3.2.2 Employee use of Social Media during work hours may be monitored and recorded.
 - 3.2.3 Employees should have no expectation of privacy while using County email, computer systems, networks, mobile devices, cell phones, or any other County owned communications device to access any type of Social Media. This includes the use of personally owned communication devices if the employee is the recipient of any cellular reimbursement.
- 3.3 Sharing Content:
- 3.3.1 An employee must get appropriate permission before referring to or posting images of current or former employees, members, vendors or suppliers. Additionally, employees should get appropriate permission to use third party copyrights, copyrighted material, trademarks, service marks or other intellectual property.
 - 3.3.2 An employee must get appropriate permission before posting or releasing any kind of information that specifically identifies the County without express authorization from the specific department.
 - 3.3.3 Employees are prohibited from sharing anything via Social Media channels that could violate another employee's right to personal privacy. Examples of Social Media disclosures that may compromise an employee's right to privacy include, but are not limited to: pictures, video, audio, or personally identifiable information.
 - 3.3.4 Employees must take reasonable and prompt action to remove any content, including content posted by others, that is in violation of this policy from any Social Media profiles/ webpages maintained by the employee.
 - 3.3.5 If an employee has access to information of any not public data, photograph, video, recording or any other form of data obtained or accessible as a result of their employment with Goodhue County, they are not allowed to use or disclose that information without express authorization from designated authority in charge of handling that data.
- 3.4 Identity disclosure:
- 3.4.1 If an employee who is NOT authorized to speak on behalf of the County has valuable information that could benefit those affected by a crisis, disaster or emergency, they may share that information via Social Media channels, so long as they include a disclaimer and do so in accordance with the guidelines of this policy.
 - 3.4.2 If you engage in Social Media channels about Goodhue County while NOT on behalf of Goodhue County, you must disclose your identity and affiliation with Goodhue County.
 - 3.4.3 When engaging in Social Media about Goodhue County and NOT in an official capacity as a county employee, you must add a disclaimer such as:
 - "I work for Goodhue County and this is my personal opinion."
 - "I am not an official spokesperson for the County; my personal opinion is..."
 - "The postings on this site are my own and don't necessarily represent Goodhue County's positions, strategies or opinions."

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7.8 Family & Medical Leave Act

Goodhue County strives to balance the demands of the workplace and our call to public service with the needs of our employees and their families. Consistent with this statement, Goodhue County provides eligible employees with leave rights in accordance with the Family and Medical Leave Act (FMLA). The County posts the mandatory [FMLA Notice](#) as required by the United States Department of Labor (DOL) and also provides all new hires with general notice information regarding FMLA.

This policy serves to provide employees with a general description of their FMLA rights. However, in the event of any conflict between this policy and applicable law, employees shall be afforded all rights required by law.

The FMLA entitles eligible employees with up to 12 weeks (26 weeks for military service member caregiver leave) of unpaid, job protected leave for specified family and medical reasons, along with continuation of group health insurance coverage.

Eligibility:

To qualify for FMLA leave, an employee must meet all the following conditions:

- Employed by the covered employer at least 12 months (or 52 weeks) in the preceding seven year period. These do not need to be consecutive months of employment in order to meet the requirement. If the break in service was due to National Guard or Reserve military service obligations, the County will count separate periods of employment, exceeding the seven year period, extended by the length of the military service referenced above.
- Worked at least 1250 hours during the preceding 12 month period. For purposes of this policy, this includes hours actually worked and does not refer to all hours in compensated status. Paid leave, unpaid leave, and FMLA do not count toward the 1250 hours worked.
- Works at a location where the employer has 50 or more employees within a 75 mile radius.

Types of Leave Covered:

Eligible employees will be granted FMLA leave for the following reasons:

- Any period of incapacity due to pregnancy or prenatal care, the birth of a child, and to care for the newborn child within one year of birth;
- Placement with the employee of a child for adoption or foster care and to care for the newly placed child within one year of placement;
- To care for the employee's spouse, child, or parent who has a serious health condition;
- A serious health condition that makes the employee unable to perform the essential functions of his or her job;
- Any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a covered military member on "covered active duty;"
- To care for a covered service member with a serious injury or illness if the eligible employee is the service member's spouse, son, daughter, parent, or next of kin (military caregiver leave).

Terms and Definitions:

A **child**, for purposes of this policy in situations other than military family leave, includes a biological, adopted or foster child, a stepchild, a legal ward, or a child of a person standing *in loco parentis* who

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is either under 18 years of age, or 18 or older and incapable of self-care because of a mental or physical disability. Leave may be taken for an adult child when they: have a disability as defined by the Americans with Disabilities Act (ADA) at the time the leave is to commence; are incapable of self-care because of the disability; have a serious health condition as defined by the FMLA; and, need care because of the serious health condition.

An eligible **parent** includes a biological, adoptive, step or foster father or mother or any other individual who stands or stood in the place of a parent (*in loco parentis*). The term parent does not cover parents “in law.”

Spouse means the employee’s husband or wife as defined or recognized under state law for purposes of marriage. Care for unmarried domestic partners is not included.

The **need to care for** a covered family member encompasses both physical and psychological care. It may also include acquiring or making arrangements for appropriate care, or substituting or sharing care duties.

A **serious health condition** is an illness, injury, impairment, or physical or mental condition that involves **inpatient care** or **continuing treatment** by a health care provider.

The chart below describes different types of conditions that are **serious health conditions** under the FMLA. This is not an exhaustive list of serious health conditions.

Inpatient Care
<ul style="list-style-type: none"> • An overnight stay in a hospital, hospice or residential medical care facility. • Includes any period of incapacity or any subsequent treatment in connection with the overnight stay.
Continuing Treatment by a Health Care Provider <i>(any one or more of the following)</i>
<p>A period of incapacity of more than three consecutive, full calendar days, and any subsequent treatment or period of incapacity relating to the same condition, that also involves:</p> <ul style="list-style-type: none"> • Two or more in-person visits to a health care provider for treatment within 30 days of the first day of incapacity unless extenuating circumstances exist. The first visit must be within seven days of the first day of incapacity; or, • At least one in-person visit to a health care provider for treatment within seven days of the first day of incapacity, which results in a regimen of continuing treatment under the supervision of the health care provider. For example, the health provider might prescribe a course of prescription medication or therapy requiring special equipment.
Pregnancy
Any period of incapacity due to pregnancy or for prenatal care.
Chronic Conditions
Any period of incapacity due to or treatment for a chronic serious health condition, such as diabetes, asthma, migraine headaches. A chronic serious health condition is one which requires visits to a health care provider (or nurse supervised by the provider) at least twice a

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year and recurs over an extended period of time. A chronic condition may cause episodic rather than a continuing period of incapacity.

Permanent or Long-term Conditions

A period of incapacity which requires or long-term due to a condition for which treatment may not be effective, but which requires the continuing supervision or a health care provider, such as Alzheimer's disease or the terminal stages of cancer.

Conditions Requiring Multiple Treatments

- Restorative surgery after an accident or other injury; or,
- A condition that would likely result in a period of incapacity of more than three consecutive, full calendar days if the employee or employee's family member did not receive the treatment.

For all conditions **incapacity** means inability to work, including being able to perform any one of the essential functions of the employee's position, or inability to attend school, or perform other daily activities due to the serious health condition.

An eligible employee may take up to 12 weeks of **qualifying exigency leave** when their spouse, son, daughter, or parent has been notified of an impending call or order to covered active military duty, or who is on covered active duty status.

In accordance with the provisions for **military caregiver leave**, an employee eligible for FMLA leave who is the spouse, son, daughter, parent, or next of kin of a covered service member or a covered veteran may take up to 26 weeks in a single 12-month period to care for the covered service member who is receiving medical treatment, recuperation, or therapy, or is in outpatient status, or is on the temporary disability retired list for a serious injury or illness; or to care for the covered veteran who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness.

Length and Amount of Leave:

The length of FMLA leave (for reasons other than to care for a covered service member with a serious injury or illness) shall not exceed twelve weeks in a twelve month period. The leave year is calculated on the following basis:

- A rolling 12-month period measured backward from the date an employee uses any FMLA leave

When both spouses work for the County, the combined total Family and Medical Leave to which they will be entitled together will be 12 weeks in any 12-month period if the leave is taken as: serious health condition leave for the employee's parent; or, birth or adoption of child.

For situations involving care for a covered service member with a serious injury or illness, the 12-month period begins on the first day the eligible employee takes FMLA leave to care for the covered service member and ends 12 months after that date. During this single 12-month period, an eligible employee's FMLA leave entitlement is limited to a combined total of 26 workweeks for any qualifying reason.

Intermittent Leave and Reduced Work Schedule:

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Intermittent or reduced work schedule leave may be taken when medically necessary. Intermittent leave, whether due to the employee's or qualified family member's condition, must be documented in the medical certification form as medically necessary.

When leave is required for planned medical treatment, the employee must make a reasonable effort to schedule such leave so as to minimize disruption of the County's operations.

Intermittent or reduced schedule leave may be taken for the care of a newborn or newly placed adopted or foster child only when the schedule is mutually agreed upon by the County for this situation. In all cases, leave related to the birth, adoption or foster care placement of a child must be taken within one year of the birth or placement of the child.

Coordination of Leave:

The FMLA provides job protected, *unpaid* leave of absence. However, FMLA leave taken at Goodhue County may be paid or unpaid, or a combination of both, due to additional leave running concurrently with FMLA leave.

Whenever applicable to the situation, additional forms of available leave shall run concurrently with FMLA leave including Minnesota pregnancy and parental leave, and all forms of available paid time off including but not limited to sick leave, vacation leave, workers' compensation leave when applicable, short-term disability or long-term disability pay when applicable, and compensatory time off. Accrued leave time may not be utilized to extend FMLA.

An eligible employee must use vacation, compensatory time or sick leave, with the exception of 7 days, concurrent with FMLA leave. An employee who is receiving temporary disability benefits such as workers' compensation weekly wage loss benefits, long- or short-term disability, is not required to use vacation, compensatory time or sick leave, but may choose to do so. In no case shall the total weekly compensation including paid leave and workers' compensation benefits and/or long- or short-term disability insurance benefits exceed the weekly base pay rate of the employee. The County will not provide paid leave in any situation that it does not normally provide such leave for the purpose requested.

Leave taken pursuant to a disability leave plan may be considered FMLA leave for a serious health condition and counted in the leave entitlement permitted under FMLA if it meets the criteria set forth above in 29 CFR § 825.112–825.115. In such cases, Goodhue County shall designate the leave as FMLA leave and count the leave against the employee's FMLA leave entitlement.

If an employee takes paid sick, vacation, compensatory time or other leave for a condition that is later determined to qualify under the FMLA, the County may designate all or some portion of related leave taken under this policy, to the extent that the earlier leave meets the necessary qualifications and requirements for designation under the FMLA.

Under certain circumstances, a qualified employee may be eligible for additional leave of absence beyond FMLA. All requests for additional leave of absence should be submitted to Human Resources.

Procedure for Requesting Leave, Notice, and Certification Requirements:

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An employee requesting leave which may qualify under the FMLA must provide written or verbal notice of the need for leave to Human Resources as soon as reasonably practicable. Whenever the need for leave is foreseeable, the employee is required to provide notice at least 30 days prior to the date on which the leave is to commence. When an employee becomes aware of a need for FMLA leave less than 30 days in advance, the employee must provide notice of the need for leave within two business days. When the need for FMLA leave is not foreseeable, the employee must comply with the County's usual and customary notice and procedural requirements for requesting leave, absent unusual circumstances that would prevent the employee from doing so. Employees taking intermittent leave will be required to follow their department's regular call-in or notification procedures for approval of time off, to the extent reasonably practicable based on the nature of the condition requiring leave.

The County requires certification, using the DOL form WH-380-E or WH-380-F, by the treating healthcare provider regarding the need for qualified FMLA leave, when the need for leave is due to the employee's serious health condition or that of an employee's family member. The County requires certification of the qualifying exigency for military family leave (DOL form WH-384) and for the serious injury or illness of a covered service member (DOL form WH-385). The employee must respond to requests for certification within 15 days of the request or provide a reasonable explanation for the delay. Completed certification documentation must be provided to Human Resources. Failure to provide proper and complete certification, or required recertification, may result in a denial or delay of FMLA leave.

The County has the right to ask for a second opinion if it has reason to question whether the leave is appropriate, its duration or frequency. The County will pay for the employee (or family member) to get a certification from a second doctor, which the County will select. The County may deny FMLA leave to an employee (or family member) who refuses to release relevant medical records to the health care provider designated to provide a second or third opinion. If necessary to resolve a conflict between the original certification and the second opinion, the County will require the opinion of a third doctor. The County and the employee will mutually select the third doctor, and the County will pay for the opinion. If the employee unreasonably, in the opinion of the County, refuses to agree on a third health care provider, the County may designate the provider. This third opinion will be considered final. The employee will be provisionally entitled to leave and benefits under the FMLA pending the second and/or third opinion.

Recertification may be required when the employee requests an extension of the original length approved for the leave, when the circumstances regarding the leave have changed, or if the employer receives information casting doubt on the reason given for the absence. Recertification may also be required if there is a question regarding the validity of the certification or if the employee is unable to return to work as planned. In addition, when the need for leave extends beyond a single leave year, the employee shall be required to provide a new medical certification for each subsequent year.

Employer Notice, Certifications, and Designation Procedure:

Within five business days of the employee providing notice of their need for FMLA leave, the County shall provide the employee with the *Notice of Eligibility and Rights and Responsibilities* (DOL form WH-381). The employer may request additional information sufficient to certify the need and eligibility for FMLA leave. Within five business days after the employee has submitted appropriate

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and sufficient certification documentation, the County will provide the employee with a written response to the employee's request for FMLA leave, using the DOL *Designation Notice* (form WH-382).

Employee Status and Benefits During Leave:

An employee granted leave under this policy will continue to be covered under the County's group health plans, which shall include medical and dental plans, under the same conditions and at the same level of County contribution as would have been provided had the employee not taken FMLA leave. The employee is required to continue payment for any employee portion due for insurance coverage while on leave. Rights to additional, continued benefits will depend on the County's established policy for providing such benefits when the employee is on other forms of leave, whether the leave is paid or unpaid. While on paid leave, Goodhue County will continue to make payroll deductions to collect the employee's share of premium. While on unpaid leave, the employee must make payment through the County's third-party administrator. If the employee does not continue payments for benefits during the leave, the County will discontinue coverage during the leave in accordance with plan administration rules. If an employee elects not to return to work upon completion of an approved unpaid leave of absence, the County may recover from the employee the cost of any premiums paid to maintain the employee's coverage.

Sick leave, vacation and paid time off leave accruals will not accumulate during any unpaid leave of absence; accrued amounts of leave shall remain on the record at the inception of the leave of absence and shall continue upon the return of the employee. Employees on FMLA leave are eligible for holiday pay only if they are on paid leave at the time the holiday is observed.

When leave is taken in consecutive weeks, the fact that a holiday may occur within a week taken as FMLA leave has no effect; the week is counted as a week of leave.

The County may require an employee on FMLA leave to report periodically regarding the employee's status and intent to return to work.

Return to Work and Reinstatement Following Leave:

An employee taking leave under this policy shall be required to provide a fitness for duty (FFD) / return to work clearance from the treating health care provider whenever the leave is for the employee's own health condition. Failure to provide the FFD/ return to work certification in a timely manner may eliminate or delay the employee's right to reinstatement under the FMLA. If an employee is utilizing intermittent leave and reasonable safety concerns exist related to return to regular job duties, an FFD certification may be required as frequently as every 30 days during periods when the employee has used intermittent leave.

Employees returning from FMLA will generally be reinstated to the same position held prior to their FMLA protected leave, or to a position equivalent in pay, benefits, and other terms and conditions of employment. However, no greater right to reinstatement or to other benefits, terms or conditions of employment exist than if the employee had been continuously employed during the FMLA leave period.

An exception to the employment restoration provisions of this policy may be made if the employee on leave is a salaried employee and is among the highest paid ten percent of the County's employees,

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and restoring employment would result in substantial and grievous economic injury to the operations of the County. In this situation, the employee will be given notice of the County's intent to deny restoration and the employee will be given the opportunity to return to work. Other exceptions provided by law may apply.

In the event of a layoff during the employee's leave, the employee shall be treated as a regular employee of record during the leave and shall be afforded all of the rights as governed by the appropriate bargaining agreement or County personnel policy governing matters involved with a layoff.

Goodhue County will not discharge or discriminate against an employee exercising their rights under the Family and Medical Leave Act (FMLA) or applicable state statutes. If you think you have been treated in violation of this policy or the law, please contact the Human Resources Director or US Secretary of Labor.

U.S. Department of Labor Resources:

- [Employee Guide to the Family & Medical Leave Act](#)
- [Employer Guide to the Family & Medical Leave Act](#)

7.9 MINNESOTA PARENTAL LEAVE

Employees of Goodhue County who work at least 20 hours per week, and have been employed with the County for at least 12 months before commencement of leave, are eligible to receive 12 weeks of unpaid pregnancy and parental leave under Minnesota Parental Leave laws.

Parental leave due to birth or adoption of a child must begin within 12 months of the birth or adoption. However, if a child must remain in the hospital longer than the mother, the leave must begin within 12 months after the child leaves the hospital. The 12 weeks of pregnancy or parental leave may be taken consecutively or intermittently.

Minnesota pregnancy and parental leave runs concurrently with FMLA leave whenever the employee is eligible for leave under both laws. However, if an employee has taken FMLA leave for unrelated reasons, the employee will still be entitled to 12 weeks of leave for pregnancy-related illness and parental leave.

An eligible employee must use vacation, compensatory time or sick leave, with the exception of 7 days, concurrent with Minnesota pregnancy and parental leave and/or FMLA leave. An employee who is receiving temporary disability benefits such as long- or short-term disability, is not required to use vacation, compensatory time or sick leave, but may choose to do so. In no case shall the total weekly compensation including paid leave and/or long- or short-term disability insurance benefits exceed the weekly base pay rate of the employee. The County will not provide paid leave in any situation that it does not normally provide such leave for the purpose requested.

Employees who take pregnancy and parental leave under Minnesota law are entitled to their same job after returning from leave, or return to a position of comparable duties, hours, and pay. In addition, an employee taking pregnancy or parental leave will be provided with continuation of their employer-provided health insurance during the leave.

	FMLA	FMLA + MN Pregnancy & Parental Leave	MN Pregnancy & Parental Leave
Job Protection	X	X	X
Health Insurance Continuation	X	X	X
Who Pays the Health Insurance Premiums?	Employer continues to pay regular monthly contribution. Employee continues to pay regular monthly contribution via payroll deduction while on paid leave.	Employer continues to pay regular monthly contribution. Employee continues to pay regular monthly contribution via payroll deduction while on paid leave.	Employee pays entire premium via payroll deduction while on paid leave.
Other Insurance Premium Payments	Employee pays entire premium via payroll	Employee pays entire premium via payroll	Employee pays entire premium via

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	deduction while on paid leave.	deduction while on paid leave.	payroll deduction while on paid leave.
--	--------------------------------	--------------------------------	--

While on unpaid leave, the employee must make payment through the County’s third-party administrator. If the employee does not continue payments for benefits during the leave, the County will discontinue coverage during the leave in accordance with plan administration rules. If an employee elects not to return to work upon completion of an approved unpaid leave of absence, the County may recover from the employee the cost of any premiums paid to maintain the employee’s coverage.

Sick leave, vacation and paid time off leave accruals will not accumulate during any unpaid leave of absence; accrued amounts of leave shall remain on the record at the inception of the leave of absence and shall continue upon the return of the employee. Employees on Minnesota Parenting Leave are eligible for holiday pay only if they are on paid leave at the time the holiday is observed.

For purposes of determining the amount of leave used by an employee, the fact that a holiday may occur within a week taken as Minnesota pregnancy and parental leave has no effect; the week is counted as a week of leave.

In the event of a layoff during the employee’s leave, the employee shall be treated as a regular employee of record during the leave and shall be afforded all of the rights as governed by the appropriate bargaining agreement or County personnel policy governing matters involved with a layoff.

Additional Information:

- MN Parental Leave handout ****add hyperlink****
- MN Pregnancy Leave, Nursing Mothers handout ****add hyperlink****

7.4 SICK LEAVE

Accrual

Eight hours of sick leave shall be granted for each calendar month of employment, up to a total of 960 hours (or 120 days). Employees shall be eligible for sick leave at their regular rate of pay. Part-time employees of 20 hours or more shall be eligible for sick leave on a prorated basis. Employees who work less than 20 hours shall not accrue sick leave benefits. **If an employee has a temporary change in status from full time to part time or part time to full time, the employee's leave accruals will not be adjusted until the status change has been in place for one year.** Employees who have been employed for six months or more by Goodhue County and who are eligible for sick leave under the provisions of this section, who subsequently leave county employment in good standing and after proper notice shall be paid for 60% of their accrued sick leave at the hourly rate in effect at the time of separation, said pay not to exceed 576 hours (72 working days).

Utilization of Sick Leave

Sick leave earned may be used by employees under the following circumstances:

- Personal illness or physical incapacity which renders the employee unable to perform the essential functions of their position.
- Required medical care, including pregnancy.
- Exposure to contagious disease under circumstances in which the health of the employees with whom the employee is associated or members of the public with whom the employee deals would be endangered by the employee's attendance on duty.

Minnesota Sick and Safe Leave Law

Employees may use accrued sick leave:

- To care for an ill or injured minor child, adult child, spouse, parent, mother-in-law, father-in-law, grandchild, grandparent or stepparent.
 - Child includes a stepchild, biological, adopted, and foster child.
 - Grandchild includes step-grandchild, and a biological, adopted and foster grandchild.
- For themselves or a relative (listed above) to provide or receive assistance because of sexual assault, domestic abuse or stalking.

NOTE: *This is a provision under the MN Sick & Safe Leave law which *can* be made by the employer. I am not sure we want to adopt this:*

For employees with more than 160 hours of sick leave available in a 12-month period, use of sick leave for the illness or injury of a family member other than a minor child is limited to 160 hours.

- ~~Illness or injury to a member of the employee's immediate family which requires the employee's personal care and attendance.~~

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Employees that are utilizing sick leave are required to be doing activities that are relevant and circumstantial to the bona fide use of sick leave. This would include caring for themselves or immediate covered family members and transportation to and from home, caregivers, clinics, hospitals, and pharmacies.

Notification

When an employee wishes to take sick leave, the employee shall notify the Department Head through procedures specified by the department. Such notice shall be given at the earliest possible time and preferably before the start of the scheduled working hours. Failure to make a diligent effort to give such notice may result in a payroll deduction of the time taken.

Should an employee, or someone acting for the employee, not notify the Department Head of the fact that the employee is unable to work, prior to the time the employee is scheduled to work, each day of absence may be considered unauthorized absence.

~~Employees claiming sick leave may be required to file competent written evidence that their absence was due to sickness or injury.~~ Goodhue County reserves the right to require a physician's statement for any absence due to sickness. If the County suspects that sick leave is being abused, the County may in its discretion, require the employee suspected to provide a physician's statement for all subsequent sick leave days taken regardless of the number of accrued sick leave hours available to the employee. Claiming sick leave when otherwise not eligible for sick leave within the provisions of this section may be cause for disciplinary action, up to and including termination.

Additional information

- MN Sick & Safe Leave handout ****add hyperlink****

5.13 LONGEVITY

All county employees not specifically excluded from the longevity benefit, who are paid in accordance with the county pay schedule and who were employed on or before February 14, 1978, will be eligible for longevity as follows:

- Five years continuous service (beginning with 6th year)1%
- Ten years continuous service (beginning with 11th year).....2%
- Fifteen years continuous service (beginning with 16th year) .3%
- Twenty years continuous service (beginning with 21st year).4%

Longevity payments will be automatic as the employee becomes eligible, as pay is for length of service and not for merit. No employee hired after February 14, 1978, will be eligible for longevity payments. NOTE: It is to be noted that when longevity was originally authorized under the Barrett Plan and adopted by the Board on November 2, 1973, Sheriff's deputies, highway maintenance personnel, elected officials and welfare department personnel were specifically excluded from longevity benefits. Sheriff's deputies were later authorized longevity through arbitration, but Health and Human Service department personnel, elected officials and highway maintenance personnel who were employed after February 14, 1978, continue to be excluded.

2.3 HIRING

Purpose

To fill newly created or vacant County positions.

Designation of Data

Except for applicants to undercover law enforcement positions, the following personnel data on current and former applicants for employment by the County is public data:

- Names of applicants who are considered by the employer to be finalists for a position.
- Veteran's status.
- Relevant test scores.
- Rank on eligibility list.
- Job history.
- Education and training.
- Work availability.

Personnel examinations and answer keys are nonpublic data, except pursuant to valid court order. (These are nonpublic when the responsible authority determines that disclosure would compromise the objectivity or fairness of the testing or examination process. ~~See Minn. Stat. § 13.34.~~) An individual's results of their examinations may be shared with them upon request.

Applications for and the Filling of Vacancies

The following procedure will be followed:

- Goodhue County will afford employment to the applicant possessing the best qualifications that fit the requirements of the job regardless of race, creed, color, national origin, sexual orientation, age or other protected class status.
- Job requirements are included in the job description.
- Education and experience requirements are included in the job description and position posting.
- Any testing requirements will be conducted by the Human Resource Department, applicable department, or by the Minnesota Merit System for Health and Human Service vacancies and will only be used for testing skills specifically required for the job.
- Where applicable, Minnesota Merit System hiring practices will be used.

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- All applications for employment with Health and Human Services will be made on forms prescribed by the Minnesota Merit System Supervisor and must be filed with the Minnesota Merit System Supervisor on or before the closing date specified in the announcement.
- All applications will be required to be completed through the on-line application process. If an applicant does not have on-line access, they may apply at a library or any county public terminal.
- When an opening exists or is contemplated for a bargaining unit position, applicable provisions from a collective bargaining agreement shall be followed.
- Job applications are to be submitted for a designated position and must be received before the published deadline. Applications will be accepted only when a vacancy is posted or a roster is being developed.

See definitions for types of [employees](#).

Hiring of intermittent, seasonal or temporary employees must be coordinated through the Human Resource Department.

Recruitment

Authorization by County Board or Health and Human Service Board.

- ***New Unbudgeted Positions.*** All new unbudgeted position openings shall be subject to review and approval by the Personnel Committee and/or the Board with appointing authority. Review and approval shall extend throughout the year. Department Heads shall complete the [Request for Approval to Hire Form](#) and any supplemental information needed to determine the approval or denial of the request for the position opening and submit to the Human Resource department. Health and Human Service position openings should be submitted to the Health and Human Service Director.
- ***Department Head Positions.*** All Department Head position openings shall be subject to review by the Personnel Committee and approval by the Board with appointing authority. ~~The review and approval shall extend throughout the year.~~ A *Request for Approval to Hire Form* and any supplemental information needed to determine the approval or denial of the request for the position opening shall be submitted to the Human Resource department.
- All position titles are listed on the Human Resource Checklist. The checklist will show positions that are required to go to the Personnel Committee and County Board or Health and Human Service Board. This would include all newly created or unbudgeted positions. The checklist will also show positions that will only go through the Request for Approval to Hire Form. These positions will not go to the County Board or the Personnel Committee.

Authorization by County Administrator

- ***Budgeted Replacement Positions.*** All budgeted position openings that are a replacement position and not on the Human Resource Checklist designated to go the Personnel Committee and County

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Board, shall be subject to review and approval by the County Administrator if the position is under the authority of the County Board. If the position is under the authority of the Health and Human Service Board, the Health and Human Service Director will review the Request for Approve to Hire Form. All Request for Approval to Hire Forms will be forwarded to the Human Resource Department. Department Heads shall complete the *Request for Approval to Hire Form* and any supplemental information needed in determining the approval or denial of the request for the position opening.

- All budgeted position openings that are a replacement position and not on the Human Resource Checklist designated to go the Personnel Committee and Health and Human Services Board, shall be subject to review and approval by the Health and Human Services Director. Goodhue County Health and Human Services Deputy Directors shall complete the *Request for Approval to Hire Form* and any supplemental information needed in determining the approval or denial of the request for the position opening.
- If a request is denied, the department head may re-review the request and make any necessary changes, and bring it forward for the Personnel Committee's review and County Board.

Job Description

The job description for the position being advertised will be reviewed and updated by the Human Resource Department in consultation with the Department Head. The Goodhue County Health and Human Services job descriptions are reviewed and updated if necessary by the Minnesota Merit System in consultation with the Human Resource Department and the Goodhue County Health and Human Services Director.

A written position classification or job description shall be on file with Goodhue County Health and Human Services Department for all full time and part time positions at the Health and Human Service Department. In addition, files of appropriate job descriptions can be obtained by contacting the Health and Human Service Department and/or Minnesota Merit System. A listing of the classification specifications for available positions is contained within the Minnesota Merit System.

The required evaluation procedure and point system shall be in place prior to any evaluation of the ~~applicants~~ **applications**. See Position [Reclassification](#).

Screening Process

The Human Resource Department and/or Department Head or Supervisor will screen the applicants and select candidates for the final interview.

Minnesota Merit System Manual, 9575.0400 Rules – 9575.0700 Recruitment of Applicants, addresses procedures that will be followed for screening, interviewing, promoting or hiring applicants at Health and Human Service. Minnesota Merit System establishes minimum entrance requirements and all positions at Health and Human Service require the completion of a Minnesota Merit System State Examination. Placement on eligible registers will be based upon test score. Minnesota Merit System shall certify the 15 highest

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available names based upon the test score. The appointing authority may select for appointment anyone among the certified candidates who are eligible for appointment from the register.

Interview

Once the applications are screened and a determination has been made that applicants are eligible for an interview, the following will take place:

- Set up a time for the interview. Interviews will be set up in an office or room where there will be privacy and freedom from interruptions.
- An interview will begin with introductions, review of job description and duties.
- The candidate will be asked prepared interview questions. The same questions will be asked of all candidates being interviewed. Follow-up questions may be asked based on the individual's response.
- ~~The results of the interviews will be recorded on the interview questionnaire form.~~

The interview teams for all positions, except in Health and Human Services, will include a representative from the Human Resource Department, the Supervisor or designated representative, and the Department Head or designated representative. Members of the Board will be consulted on the hiring process and may choose to participate in the interview portion of the hiring process if the opening is for a Department Head position. Interview teams in the Health and Human Services department will include a Supervisor and other HHS employees as necessary.

Any candidate not receiving an interview will be notified. If a candidate is interviewed, but not selected for the position, the Human Resource Department or a department representative shall notify the candidate.

Conditional Job Offer

Once a candidate is selected for the position, a verbal conditional job offer will be made. At that time, the candidate will be informed of the beginning wage for the position and told to expect a written conditional job offer. The Department Head or Supervisor will write a conditional job offer letter and consult with Human resource when necessary. The conditional job offer letter will include:

- The date the conditional job offer was made.
- The date when the candidate accepted the conditional job offer.
- ~~The conditional starting date, if determined.~~
- The statement that a conditional job offer is pending the results of a pre-employment physical or drug testing (if required for the position), references check(s), background check(s), proof of eligibility for employment and final County Administrator and/or County Board approval. A conditional offer of employment for Health and Human Service applicants will come from the Health and Human Service Director and/or the Health and Human Services Board.

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- ~~Insurance, vacation, sick and personal leave information.~~
- The starting wage.
- When the individual may expect a wage increase.
- Information regarding the County's payroll process.
- The probationary period.
- To whom and where to report on the start date.
- A reference to the union collective bargaining agreement, when applicable.

Background Checks

Background checks will be done for all positions by the Bureau of Criminal Apprehension/Private Investigator and/or Goodhue County Sheriff's Department on the candidate conditionally offered employment with Goodhue County and in accordance with the law.

Pre-Employment Physical

Candidates who have received a conditional offer of employment may be required to pass a drug test and/or a Physical Activity Determination **at no cost to the applicant**. ~~If required, the Health Screening/Pre-Employment Physical Class I, II and III shall be conducted by a local medical facility, at no cost to the applicant.~~

The Human Resources Director or County Administrator may approve an alternate pre-employment physical site when deemed necessary.

Veteran's Preference

Preference in the establishment of eligible registers shall be given to veterans in accordance with the provisions of the Minnesota Statutes, section 43A.11. **Veteran's Preference Act**.

Minnesota Merit System Appeals/Hearings

Minnesota Merit System employees and applicants have regulations regarding appeals and hearings and can be found in section 9575.1150 – 9575.1200 of the Minnesota Merit System Rules. Current non-Merit System employees may refer to the Grievance Procedure policy located herein.

Interagency Operations

The Minnesota Merit System Supervisor shall establish and maintain service records for each Merit System employee, showing name and classification, organizational unit, salary, changes in status, service ratings and such other personnel information as may be considered pertinent. Every recommendation for a temporary or permanent change in the status of an employee shall be submitted by the appointing authority to the Minnesota Merit System Supervisor on forms prescribed by them.

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2.4 — PRE-EMPLOYMENT JOB MEDICAL CATEGORIES AND PHYSICAL ACTIVITY DETERMINATION FORM

Medicals

Category I

- Vehicles operated as part of the job are usually limited to County cars or private vehicles. During an average day, an employee in Category I is required to sit most of the time. Occasionally, while performing a job, an employee may be required to bend/stoop, squat, kneel, push/pull, or reach above or below shoulder level.
- The types of machines, tools, and equipment used in Category I jobs are limited to office equipment or the equipment needed in the Health and Human Service department. Physical activity includes occasional lifting and carrying of weights less than 15 pounds, simple grasping and use of foot controls when driving. The employee is usually not exposed to extreme temperatures, dust, chemicals, fumes, etc. Using the head and neck in frequent rotation is generally not required. Employee works indoors nearly all of the time.

Category II

- Vehicles operated as part of the job include cars and pickup trucks. During an average day, an employee is required to stand or walk more frequently than sit. While performing the job, the employee is required to bend/stoop, push/pull, reach above and below shoulder level frequently, and squat, kneel, and balance occasionally.
- The types of machines, tools, and office equipment are more extensive than those used in Category I. They require more physical activity when used by the employee. These include hand tools, cooking equipment, and other specific equipment needed on the job.
- Frequently, the employee must lift and carry weights under 15 pounds, and occasionally 15-50 pounds. The job requires some exposure to extreme temperatures, dust, solvents, chemicals or fumes. The head and neck are used in frequent rotation. The majority of work is performed indoors, but occasionally the employee is required to work outside.

Category III

- The list of vehicles operated as part of the job is more extensive than in Job Categories I and II. Some jobs require operation of graders, dump trucks, forklifts and other shop vehicles. Employees frequently operate half to three-quarter ton pickup trucks.
- Standing and walking take up the majority of an average day. The employee is frequently required to bend/stoop, squat, kneel, climb ladders, push/pull, balance, reach above and below shoulder level, walk on uneven ground, and occasionally crawl.

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- ~~Machines, tools, and equipment used include general hand tools, road tools, equipment used in construction operations, etc. Employees frequently lift and carry weights up to 35 pounds and occasionally lift and carry 50 pounds. Simple and firm grasping are used frequently.~~
- ~~Employees are commonly exposed to high and low temperatures, dust, chemicals, paints, exhaust fumes or gasses. The head and neck are used in frequent rotation. A greater percentage of the workday may be spent outside than in Categories I and II.~~

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7.3 VACATION LEAVE

County employees are encouraged to take advantage of the County's vacation leave benefits. Paid time away from work each year contributes to the employee's health and effectiveness and is a positive benefit to the individual and the customers we serve.

Eligibility

All full time County employees will be eligible for vacation accrual as shown:

YEARS OF SERVICE AT THE BEGINNING YEARS OF SERVICE	HOURS PER MONTH
0 – 2 Years	6 hours per month
3 – 5 Years	8 hours per month
6 – 9 Years	10 hours per month
10 – 14 Years	12 hours per month
15 Years and over	14 hours per month

Although newly hired employees will earn vacation benefits calculated from the day of employment; they may not utilize the accrued time until after six months.

Employees are allowed to carry over ~~200~~ **240** hours of unused vacation leave from one calendar year to another. ~~Department Heads are allowed a carry over of 240 hours.~~ Any unused amount in excess of the maximum allowed will be forfeited. **Upon resignation or retirement, employees will only be paid out a maximum of 240 hours of vacation. Any vacation hours over 240 will be lost.**

If an employee has a temporary change in status from full time to part time or part time to full time, the employee's leave accruals will not be adjusted until the status change has been in place for one year.

~~Employees of the Goodhue County Public Health Service should consult their specific departmental policies regarding the accrual and use of vacation leave time.~~

5.9 TRANSFER

Eligibility

Employees shall be authorized to transfer from one County department to another when approved by the County Board.

Transferred employees shall retain all accrued benefits including longevity where applicable and serve a one year probationary period.

Employees transferred, may be transferred to the same step and pay grade, or at a lower pay grade if the position to which the employee is transferred is at a lower pay grade.

The anniversary date of transferred employees will change unless the original date is retained by the County Board.

A letter from the Department Head confirming the transfer indicating the starting date, pay information and other details of the transfer will be submitted to the Human Resource Department for inclusion in the employee's personnel file. Board approval is required if the employee's starting wage will be above step 2 on the pay grade for the new position.

Health and Human Service

A transfer of an employee within the Goodhue County Health and Human Service Department will come under the guidelines put forth by the Minnesota Merit System Manual in force and effect.

12.4 VEHICLE POLICY

The use of County vehicles shall be managed with priority given to safety, cost effectiveness and fuel conservation.

The following governs use of County vehicles.

- **County owned vehicles are for official County business use only.** Minnesota Statutes prohibits the personal use of a County vehicle for other than authorized County business or specified authorized commuting. This means that any other use of a County vehicle for personal benefit is strictly prohibited. Unauthorized personal use of a County vehicle may be grounds for disciplinary action.
- **Authorized drivers are County employees only.** All drivers must have in their possession a current and valid driver's license. Only authorized persons are permitted to ride in County owned or leased vehicles. Authorized persons include County employees, or other persons/clients participating in County programs or functions. Family members are not allowed in **county** vehicles **unless the employee has Department Head approval. All Sheriff's Office employees will follow applicable department policies regarding authorized passengers.** ~~unless they qualify under the Sheriff's Take Home Squad Car and Duty Status Policy.~~
- Drivers are required to observe and obey all traffic laws regarding the operation of a motor vehicle ~~including speed limits.~~
- ~~It is the responsibility of the driver to comply with all applicable seat belt laws. All passengers and drivers of County vehicles are required by law to use seat belts.~~
- Drivers of County vehicles are responsible for all fines and penalties imposed for parking or traffic violations with respect to the vehicle while the County vehicle is in their possession.

Utilization and reimbursement:

- Employees are encouraged to use County vehicles whenever possible.
- If you are making an unannounced visit to a parcel, homestead, etc., you should utilize a county vehicle to identify yourself as a county employee.
- When a fleet vehicle is not available or use of a personal vehicle is used to conduct authorized County business, the individual will be reimbursed at the **mileage** rate established by the County Board.
- Employees who use their personal vehicle for County business purposes must carry the minimum insurance required by Minnesota law for passenger hazard and public liability.

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Definition of Mileage

- Mileage shall be approved based on the normal route(s) between departure and destination.
- When an employee does not report to their normal work location during the day or makes business calls before or after reporting to that location, the allowable mileage shall be:
 - The lesser of the mileage from the employee's residence or from their normal work location to the first stop;
 - All mileage between points visited on County business during the day;
 - The lesser of the mileage from the last stop to the employee's residence or from the last stop to their normal work location.

Incidental Overnight Usage

Occasional overnight usage of County-owned vehicles is permitted if the employee has been assigned the use of a County vehicle for authorized County business away from the work station to which the employee is permanently assigned, and the number of miles traveled, or the time needed to conduct the business will be minimized if the employee uses a County vehicle to travel to the employee's residence before or after traveling to the place of County business. These situations must be approved by the department head prior to the vehicle being taken home.

If occasional overnight usage by any employee exceeds 15 times per year, IRS regulations require that the log form for each overnight commute trip must be completed for auto fringe benefit calculations and the information report to the ~~Department of Finance and central payroll.~~ Human Resource Department.

Commuting with County owned vehicles

By statute, use of a County vehicle for commuting to and from an employee's residence is prohibited except under very limited circumstances.

A County vehicle may be used by a County employee to travel to and from the employee's residence under the following circumstances:

- On a day when it may become necessary for the employee to respond to a work-related emergency during hours when the employee is not normally working.
- Inclement weather conditions: When employee is on-call and has primary responsibility to respond.
- Emergency preparedness or seasonal assignment: County-owned vehicle is permitted when an employee is on-call and vehicle is taken home less than 12 times per quarter on average.
- All vehicles assigned to licensed Sheriff's officers and Investigators are exempt from these provisions.

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- As a working condition benefit the vehicle used must be considered a qualified non personal-use vehicle which by IRS terms is considered to be any vehicle the employee is not likely to use more than minimally for personal purposes because of its design. Qualified non personal-use vehicles generally include:
 - Clearly marked police and fire vehicles
 - Unmarked vehicles used by law enforcement officers if the use is officially authorized
 - Pickup trucks or vans clearly marked with permanently affixed decals
 - Special Equipment Vehicles manufactured for special application or equipped with tools or devices for specific job applications.

Vehicle Allowance

Should a County employee, as part of their working agreement with the County, not be provided with a vehicle for regular use but rather provided a monthly stipend, the allowance will be considered part of a non-accountable plan. The County will follow IRS guidelines accordingly.

- Monthly Auto Allowance: The full amount of the monthly auto allowance will be treated as a taxable benefit and subject to income tax and other statutory deductions.
- Employment Expense Deduction: Employees who receive a taxable allowance may be able to deduct motor vehicle expenses as employment expenses from their taxable income on their personal income tax return. It is the responsibility of the employee and their tax preparer to complete **all applicable** IRS Forms ~~2106~~.
- ~~The Board of Commissioners shall annually establish the monthly auto allowance rate. The rate will be effective January 1.~~
- An employee who is in receipt of the monthly auto allowance is responsible for all expenses incurred in the operation of their vehicle.

Parking

Employees using private automobiles and county vehicles are reimbursed on an actual expense basis for parking. Receipts for such payments are submitted with the expense reimbursement request whenever possible.

Commercial Transportation

Employees may travel by commercial transportation when authorized. Air transportation is by coach class whenever possible.

Car Rental

Employees may use a rental vehicle at county expense when authorized or in emergency situations. When using rental vehicles, the lowest possible rate is to be selected.

11.2 DRESS CODE

Updated 1/1/2018

Goodhue County requires all employees to maintain appropriate and professional dress and appearance. An employee's position and the requirements of contact with the public should guide the employee on appropriate appearance. Not all types of clothing are suitable for work settings.

Clothing that works well for the beach, yard work, exercise or sporting sessions may not be appropriate for a professional appearance at work. Clothing that has the County logo is encouraged.

As departments vary in the work performed, so too does appropriate dress vary by type of work to be performed. Therefore, Department Heads are responsible to communicate instructions on appropriate dress to employees and to enforce these expectations uniformly.

Employees who are either provided a uniform by the County and/or given a uniform allowance must at all times wear, maintain and comply with the additional department requirements for that specific uniform.

Employees should consult with their supervisors on individual department expectations. If an employee dresses in a manner inconsistent with this policy, as determined by the Supervisor or Department Head, the employee may be asked not to wear the inappropriate item to work again or may be sent home to change clothes (on the employee's own time). Failure to comply with department expectations may be subject to disciplinary actions.

1.7 Definitions

Overtime

Work performed at the authorization of the employer in excess of eight (8) hours in a twenty four (24) hour period or forty (40) hours within a seven day period, said period beginning on ~~Monday~~ Saturday of each pay period. For non-exempt employees who are subject to a partial exemption (Sheriff's Office) under the Fair Labor Standards Act, overtime shall be work performed in excess of the hours in the relevant work period.

7.15 LEAVE SHARE PROGRAM

Updated 1/1/2015

The leave share program can help employees who face economic hardship due to a qualifying family medical leave act event that requires an employee's absence from the workplace. Employees may voluntarily donate accumulated leave to employees whose leave bank has been exhausted.

To be eligible to participate in the Leave Share Program an employee must:

- Be an employee of Goodhue County.
- Have exhausted their vacation, sick and compensatory time balances.
- Present a condition which would define the employee as eligible to take leave under the Family and Medical Leave Act ~~of 1993 as amended~~ to include all serious health conditions as defined in 29 CFR Part 825.113 of the Department of Labor.
- NOT be participating in any other disability program (i.e., Long Term Disability, Short Term Disability, PERA, Social Security, Worker's Compensation, etc.).
- Be used simultaneously with an employee's Family Medical Leave (FMLA) time.
- Employees are only eligible for this program twice within a ten-year period. Effective as of January 1, 2015.

If the employee has been determined to be eligible to participate in the Leave Share program, a request will be made through the Human Resources Department to all county employees. At that time, the employee may attach a brief explanation to the request detailing the circumstances of their eligibility (employees may choose to remain confidential). Donated leave may only be used simultaneously with FMLA. The only solicitation of leave time shall be made through the Human Resource Department. Employees actively soliciting during work hours will be disqualified from participating in the Donated Leave Program for one year.

Once a request has been made employees may donate compensatory, sick or vacation leave to the employee. Participation in the leave share is completely voluntary. Leave must be donated in full hour increments and will be limited to 80 hours per employee. Hourly leave donations will be converted to a dollar figure based on the salary of the donor at the time of donation. At the appropriate time, those dollars will be given to the participating employee at their current salary rate.

Donated leave will be allocated to the participating employee in the order it was received in the Human Resource Department. Leave will be allocated in converted dollars to the participating employee as needed for each two-week payroll. **When an employee is participating in the Leave Share program, their probationary period will be extended for the length of time they are on a leave of absence.** If a participating employee resigns or is terminated while in the Leave Share program, they are no longer defined as a county employee and therefore no longer eligible to receive Leave Share donations. **Remaining donated leave will not be subtracted from the donor's leave balances.**

To Donate Leave

If you wish to donate leave, complete a Leave Share donation form indicating the type of leave, either vacation, compensatory or sick, and the number of hours you wish to donate to the affected employee. Employees must sign and date the form and submit the form to the Human Resources Department for transfer. Once the participating employee uses a leave transfer it is irrevocable.

This policy may be revised at the discretion of the County Board or in order to comply with applicable law.

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13.6 CONTINUATION OF BENEFITS UPON SEPERATION

Pursuant to state and federal law referred to as COBRA, benefit-eligible employees who have separated from County employment for reasons other than gross misconduct may continue on the County's life insurance, group health, and/or dental coverage plan as defined in federal regulations.

An employee whose hours have been reduced to the point that the employee is no longer eligible for insurance may also continue enrollment with the County's group health and/or dental plan at their own expense per Minnesota continuation laws.

Other events, such as Medicare eligibility, may qualify an employee for continuing coverage ~~of up to twenty nine months~~. In addition, the employee's spouse and dependents that survive an employee may extend their enrollment with the County's group health and/or dental coverage plan until the earlier of the following:

- The date the surviving spouse becomes covered under another group plan.
- The date coverage would have terminated under the group policy had the employee lived.

Process Options



Goal

“... to effectively promote the safety, health and well-being of our residents ...”



Level 1 – Foundational Interventions

Committees, Identifying, Questions



Level 1 – Foundational Interventions

- Identify discrimination
- Establish an internal committee
- Survey customers
- Provide basic education on equity to all staff
- Review current assessments
- Ask the questions:
 - Do our policies lead to disparity?
 - Are there language barriers? Does this prevent people from seeking our services?
 - Are the current assessments in place verified and impartial?



Level 2 – Organizational Interventions

Training, Reviewing, Engaging



Level 2 – Organizational Interventions

- Train leaders to be experts
- Review county policies objectively
- Review data
- Engage with customers to increase community involvement
- Identify current required reports within county programs
- Consider how we educate
- Ensure our customers and employees have access to leadership at multiple levels
- Communicate areas for improvement



Level 3 – Sustainable Interventions

Analyzing, Voices, Community



Level 3 – Sustainable Interventions

- Increase outreach
- Actively seek out more opportunities for community engagement
- Recruit a consultant
- Look into our own workforce for diversity/disparities
- Ensure that voices will be heard

Investing in social support is an investment in our community and will reduce costs in the end.



Questions/Discussion

Your feedback is welcomed at this time



PROCESS OPTIONS

What is the Goal:

While our state ranks among the very best in overall quality of life, we also rank among the very worst in racial and ethnic disparities. Local government has a unique responsibility to residents and all inequities must be addressed. The goal is to address systems, policies, and practices which may have contributed to inequities in our communities. Goodhue County has the ability to implement policy change at multiple levels and across multiple sectors to drive larger systemic change. As our mission states, “to effectively promote the safety, health and well-being of our residents,” together we must continue this important work and support actions at all levels to ensure equal opportunity for all.

LEVEL 1- FOUNDATIONAL INTERVENTIONS (\$)

- Identify specific types of discrimination
- Establish an internal committee focused on equity work and solutions involving broad membership (10-12) - Including one County Commissioner and our County Administrator
- Survey/outreach customers
- Ask the questions: Do our larger, broader policies lead to disparity?
- Are there language barriers facing members of the community? Does this prevent them from seeking our services? Does this prevent them from accessing leadership in our communities?
- Review current assessments already taking place. Are these assessments verified and impartial?
- Provide basic education/training on equity to all staff and leadership.

LEVEL 2- ORGANIZATIONAL INTERVENTIONS (\$\$)

- Train leaders to be experts on topics of equity, diversity and inclusion.
- Review Goodhue County policies, practices, and programs objectively. Engagement with a third party on this is a possibility and encouraged.
- Review Data from a cross section of programs and initiatives and programs outcomes. Are they reflective of GC?
- Engage with customers on a regular and ongoing basis to increase community involvement in county processes. Survey service providers. Do our statements reflect our reality?
- Identify current required reports within county programs. Such as GCHHS has a health equity committee and a health equity policy that is being reviewed and expanded. Public Health Accreditation requires health equity policies, as does the Systems of Care grant that GCHHS Social Services Department received.

- Consider how we educate. Look into methods/language necessary for education.
- Ensure our customers and employees have access to and are comfortable sharing their views to leadership at multiple levels. They need to know they are heard.
- Communicate areas for improvement and process hardships to organizations outside our control.

LEVEL 3- SUSTAINABLE INTERVENTIONS (\$\$\$)

- Increase the degree and reach of outreach into the community.
- Actively seek out more opportunities for community engagement.
- Recruit a consultant to analyze and assess program outcomes, specifically in areas that we do not have data
- Look into our own workforce for diversity/disparities. Does our staff reflect our demographics? Could we do better?
 - ✓ Diversity Efforts
 - ✓ Access to Leadership
 - ✓ Greater for Certain Services
- Ensure that voices will be heard.
- **Investing in social support is an investment in our community and will reduce costs in the end.**



Scott O. Arneson
County Administrator
Goodhue County

509 W. Fifth St.
Red Wing, MN 55066
Office (651) 385.3001
Fax (651) 267.4873

August 13, 2020

Local government has a unique responsibility to residents, and all inequities must be addressed. Our goal is to address systems, policies, and practices which have contributed to inequities in our communities. Goodhue County has the ability to implement policy change at multiple levels and across multiple sectors to drive larger systemic change. The Goodhue County Process Options team has been meeting and will present our findings and recommendations at the Committee of the Whole meeting on August 18, 2020. We want to provide education and background on the topic of inequities and their economic costs in our communities. Attached/below you will find three documents, as well as summaries of the documents.

Economic Benefits of reducing racial disparities (attached)

- This paper estimates the benefits of eliminating racial disparities in mortality rates and work weeks lost due to illness. Using data from the American Community Survey (2005–2007) and Minnesota vital statistics (2011–2015), they explore economic methodologies for estimating the costs of health disparities. The data reveal large racial disparities in both mortality and labor market non-participation arising from preventable diseases and illnesses. Estimates show that if racial disparities in preventable deaths were eliminated, the annualized number of lives saved ranges from 475 to 812, which translates into \$1.2 billion to \$2.9 billion per year in economic savings (in 2017 medical care inflation-adjusted dollars). After eliminating the unexplained racial disparities in labor market participation, an additional 4,217 to 9185 Minnesota residents would have worked each year, which equals \$247.43 million to \$538.85 million in yearly net benefits to Minnesota.

Times Up- Guide to Equity and Inclusion during Crisis (attached)

- The recommendations covered in this second edition of the guide are intended to offer initial guidance in the short term. Fostering and maintaining an anti-racist, anti-sexist workplace culture will take a sustained effort over time, but it's worth the time and investment. If our entire workforce is stronger, then our businesses and the entire economy will be more competitive, more resilient, and more prosperous in the long run.

The Economic Burden of Health Inequalities in the United States (attached)

- The report estimated the economic burden of health disparities in the United States using three measures: (1) direct medical costs of health inequalities, (2) indirect costs of health inequalities, and (3) costs of premature death.

Their analysis found:

- Between 2003 and 2006 the combined costs of health inequalities and premature death in the United States were \$1.24 trillion.

GOODHUE COUNTY BOARD OF COMMISSIONERS

LINDA FLANDERS
1st District
1121 W 4th St.
Red Wing, MN 55066

BRAD ANDERSON
2nd District
10679 375TH St. Way
Cannon Falls, MN 55009

BARNEY NESSETH
3rd District
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Zumbrota, MN 55992

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4th District
39111 Co. 2 Blvd
Goodhue, MN 55027

PAUL DROTOS
5th District
1825 Twin Bluff Rd
Red Wing, MN 55066

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- Eliminating health disparities for minorities would have reduced direct medical care expenditures by \$229.4 billion for the years 2003-2006.
- Between 2003 and 2006, 30.6% of direct medical care expenditures for African Americans, Asians, and Hispanics were excess costs due to health inequalities.
- Eliminating health inequalities for minorities would have reduced indirect costs associated with illness and premature death by more than one trillion dollars between 2003 and 2006



Article

The Economic Benefits of Reducing Racial Disparities in Health: The Case of Minnesota

Marilyn S. Nanney ¹, Samuel L. Myers Jr. ^{2,*} , Man Xu ² , Kateryna Kent ³, Thomas Durfee ⁴
and Michele L. Allen ¹

¹ Department of Family Medicine and Community Health, University of Minnesota, Minneapolis, MN 55455, USA; msnanney@umn.edu (M.S.N.); miallen@umn.edu (M.L.A.)

² Humphrey School of Public Affairs, University of Minnesota, Minneapolis, MN 55455, USA; xuxx0460@umn.edu

³ Office of Public Engagement, University of Minnesota, St. Paul, MN 55108, USA; kent0082@umn.edu

⁴ Department of Applied Economics, University of Minnesota, Minneapolis, MN 55455, USA; durfe019@umn.edu

* Correspondence: myers006@umn.edu; Tel.: +1-612-626-9609

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Abstract: This paper estimates the benefits of eliminating racial disparities in mortality rates and work weeks lost due to illness. Using data from the American Community Survey (2005–2007) and Minnesota vital statistics (2011–2015), we explore economic methodologies for estimating the costs of health disparities. The data reveal large racial disparities in both mortality and labor market non-participation arising from preventable diseases and illnesses. Estimates show that if racial disparities in preventable deaths were eliminated, the annualized number of lives saved ranges from 475 to 812, which translates into \$1.2 billion to \$2.9 billion per year in economic savings (in 2017 medical care inflation-adjusted dollars). After eliminating the unexplained racial disparities in labor market participation, an additional 4,217 to 9185 Minnesota residents would have worked each year, which equals \$247.43 million to \$538.85 million in yearly net benefits to Minnesota.

Keywords: racial disparities; economic cost; mortality; lost productivity

1. Introduction

Across all types of diseases, illnesses, and accidents, Blacks are 1.16 times [1] more likely to die than Whites. Blacks are 1.22 and 1.72 times [2–4] more likely than Whites to die from heart disease and hypertension, both preventable diseases.

According to LaVeist, Gaskin, and Richard [5], the annual cost of racial differences in premature death in the US ranges from \$236.1 billion to \$243.1 billion. Racial disparities also arise in labor market outcomes. Again, LaVeist, Gaskin, and Richard [5] estimate these costs amount to \$11.7 billion to \$13.3 billion a year. Other attempts to estimate the economic costs associated with health disparities produce values that range from \$193 billion (smoking) to \$250 billion (fatal and non-fatal cost of occupation injuries) [6–8].

Research on the impact of healthcare reform argues for targeted attention to the populations and groups who are at higher risk of incurring high healthcare costs [9,10]. Although there is a case to be made for addressing racial and ethnic disparities in health for population health reasons or social justice [11,12], the novelty of LaVeist, Gaskin, and Richard' [5] work rests in its ability to make a business case for reducing health disparities in the United States.

The business case for reducing health disparities might appear more difficult to make in places like Minnesota, which has a relatively low population of racial minority group members. The U.S. Census

Bureau's Population Estimates Program shows that in 2017 non-Hispanic Whites represented 79.9% of Minnesota's population (https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_CP05&prodType=table). Yet, there are significant racial disparities in major economic and health outcomes in the state. In 2018, U.S. News & World Report ranked Minnesota second in terms of overall best states in which to live in the U.S. At the same time, Minnesota ranked 47th in employment gap by race (ranking best to worst) and 38th in income gap by race. Using the American Community Survey, Myers and Ha [13] point out that Minnesota consistently has had much lower employment rates for racial minorities than elsewhere in the country over the past seventeen years, and also has one of the largest racial disparities in unemployment in the nation. They term this incongruity between Minnesota's overall high measures of social and economic well-being and large racial disparities in every measure of social and economic well-being as "The Minnesota Paradox." The same paradox exists in Minnesota's health outcomes. According to a Commonwealth Fund survey, Minnesota scored second in the nation, second only to Vermont [14], in health system performance. Still, from 2010 to 2014, African Americans were almost two times more likely to have lower birthweight births than Whites; and American Indian infants were more than two times more likely to die than Whites [15,16]. Recognizing the Minnesota paradox, this paper demonstrates that even in locations where there are relatively few racial minorities, there are sizeable economic benefits to be gained from eradicating racial health disparities.

2. Materials and Methods

Estimates of the economic cost of racial disparities are obtained for two health outcomes: mortality rates and labor market effects of illnesses. The analysis of mortality rate disparities conceptually computes the number of lives lost due to different mortality rates between each racial minority group and the lowest mortality rates within each age group and cause of death. In most cases, Whites had the best or second best health profiles, while for age groups 25–34, 35–44, and 45–54, Hispanics/Latinos had the lowest mortality rate. In Minnesota, Hispanics/Latinos comprise approximately 5.3% of the state population (US Census Bureau's Population Estimates Program, Vintage 2017). To have the most representative estimation, this paper uses the majority racial group, non-Hispanic White, as the reference group.

This analysis uses the method proposed by LaVeist, Gaskin, and Richard [5] where one converts the mortality rate differentials into number of deaths. The excess deaths due to disparities in mortality rates for each age group and disease equal the real deaths minus the predicted deaths, where the predicted deaths assume each racial and ethnic minority group faces the same risk of death as non-Hispanic Whites within age and type of death categories. This is akin to eliminating all within-age and type of death disproportionalities and also akin to equating the mortality disparity ratio to 1. For some age groups and diseases, some minorities have lower death rates than the total population. We report two calculations: one that retains negative excess deaths, which results in a lower bound of estimates, and another that only keeps the excess deaths, which yields an upper bound of estimates.

The valuation of these lives lost uses conventional estimates of foregone earnings. The cost of early mortality uses the Value of a Year of a Statistical Life, a proxy for the opportunity cost of treating an underlying condition and an assessment of the benefits of risk reduction efforts [17,18]. This measure is widely used in health research, but with significant variation in the value assigned [19]. This paper uses the most commonly used number \$50,000 in 1997 dollars as the lower bound for per quality-adjusted year life and a simulation model based number \$61,294 in 2003 dollars as the upper bound for per quality-adjusted year life [19,20]. We consider inflation in the analysis and use the adjusted numbers. The \$50,000 in 1997 dollars is \$76,316 in 2017 dollars using the Consumer Price Index for All Urban Consumers (CPI-U), and \$94,762 using the medical care service subsection of the CPI-U [20]. In addition, \$61,294 in 2003 dollars is \$81,927 in 2017 dollars using the CPI-U, and \$131,387 using the medical care service subsection of the CPI-U. Life expectancy is assumed to be 75 years. To make a per quality-adjusted year life comparable to the estimated value of a statistical life from the United States

Environmental Protection Agency (<https://www.bloomberg.com/graphics/2017-value-of-life/>), we transfer the lower and upper bounds of per quality-adjusted year life into the value of a statistical life for 2017, which results in an estimated range of \$5,723,700 to \$9,853,999. The upper bound of our adopted value of a statistical life is close to the estimates of the United States Environmental Protection Agency.

The labor market effects of illness are captured by estimating logistic models of the probability of having a work-limiting condition (Equation (1)) [21] and the number of weeks in a year not working given that a person has a work-limiting condition (Equations (3) and (4)). These models control for age, gender, highest level of education achieved, marital status, family structure sectors, and socio-economic covariates, and only include people between 16 and 65 years old. Our labor market participation estimates permit us to estimate the net increases in the number of minorities who would have worked had there been no unexplained disparity in time lost from work (Equation (2)). The log-odds of having a work-limiting condition is given by

$$\ln\left(\frac{\Pr(Y = 1|x)}{\Pr(Y = 0|x)}\right) = \beta_0 + \beta_1 * \text{Minority} + \sum_{j=2}^i \beta_j X_j + \varepsilon_i \quad (1)$$

where Y is a dichotomous variable that indicates having a work-limiting condition or not, X_j is the set of socio-economic covariates; Minority is the dummy variable that represents minority status; and ε_i is the error term.

Equation (1) is based on the likelihood that a respondent reports having a health condition that limits their ability to work. To identify the degree to which race or ethnicity relate to this measure of health, we estimate the odds of having such a condition for members of a racial/ethnic group (e^{β_1}). Using the estimated coefficient on minority status, we can then compute the additional number of minorities who face limits to their ability to work due to health conditions. This estimate is shown in equation 2 and is equal to the product of the slope of the probability of a work limiting health condition with respect to minority status and the number of minorities. Denote $\Delta(N_m)$ as the additional number of minorities faced with work limitations due to health conditions. Then,

$$\Delta(N_m) = \hat{\beta}_1 * p * (1 - p) * N_m \quad (2)$$

where p is the probability of having a work-limiting condition, $\hat{\beta}_1$ is the estimated coefficient on minority status from the logistic model, and N_m is the estimate of the minority working-age population in Minnesota.

Equation (2) estimates the number of minorities who would have worked had there been no racial disparity in work-limitations due to health, controlling for other determinants of work-limiting conditions. First, we estimate the change in an individual's probability of having a work-limiting condition according to minority status. This change is obtained from the estimated coefficients in the logistic model where the derivative of the probability of a work-limited condition with respect to the minority status is $\frac{\partial p}{\partial \text{Minority}} = \beta_1 * (1 - p) * p$. Second, we multiply this estimate by the size of the estimated minority working-age population (working age range from 16 to 65). The result is an estimate of the population-wide economic effect of reducing health disparities in labor market participation. After estimating the number of minorities that would be affected by the possibility of equal health treatment, we perform a Blinder–Oaxaca decomposition [22–24] to obtain equal treatment estimates for the number of weeks worked in a year, according to minority status and according to our controls (Equation (3)).

The Blinder–Oaxaca decomposition proceeds by estimating separately for minorities and non-minorities (Equations (3) and (4)) the number of missed weeks from work due to a work limiting health condition. We then estimate the number of missed weeks from work for minorities when they are treated like non-minorities (Equation (5)) by applying the coefficients from Equation (4) to the independent variables in Equation (3).

The number of missed work weeks for minorities is given by:

$$Z_{Y=1}^m = \beta^m + \sum_{i=1}^k \beta_i^m \cdot X_i^m + \varepsilon_i \quad (3)$$

The number of missed work weeks for non-Hispanic whites is given by:

$$Z_{Y=1}^n = \beta^n + \sum_{i=1}^k \beta_i^n \cdot X_i^n + \varepsilon_i \quad (4)$$

The number of missed work weeks with equal treatment of minorities and non-minorities is given by:

$$\tilde{Z}_{Y=1}^m = \hat{\beta}^n + \sum_{i=1}^k \hat{\beta}_i^n \cdot \bar{X}_i^m + \varepsilon_i \quad (5)$$

where Y is a dichotomous variable that indicates having a work-limiting condition; Z is the number of missed work weeks; and the superscripts m and n denote minorities vs. non-minorities. We then multiply this aggregate number of missed work weeks per year by the mean earnings for a typical Minnesotan. The result is a base estimate of the value of the missed work weeks per year that minorities face that cannot be explained by differences in the characteristics of minorities vs non-minorities.

When someone is absent because of an illness the employer faces an unfilled job slot. Employers must fill this temporary vacancy by either finding a replacement worker, paying their remaining workers overtime, or by scaling back their production. To measure the firm's cost of filling a vacant position, we rely on the literature on the economics of job searches.

Firms are willing to incur costs to fill vacant positions to avoid scaling back their production [25]. These costs include both the accounting costs of posting their vacant position and the opportunity costs the firm faces by reducing their production until they find a suitable replacement.

Russo et al. [25] find that on average, the cost of filling a vacancy is approximately 3% of the cost of the earnings of the position itself. We use their baseline estimate of 3% for this study, to capture the average cost of vacancy throughout a workforce. To account for this 3% search cost of vacant positions faced by employers, we scale our labor cost estimates by 1.03.

Data

The estimates provided herein utilize two publicly available databases: Integrated Public Use Microdata Series-USA (IPUMS-USA) [26] and the Minnesota Center for Health Statistics Vital Records on Mortality (years 2011–2015). Among the demographic variables used in the models are age, military service history, gender, race, ethnicity, head of the household, and highest level of education achieved. Among the economic variables are individual income, household income, federal household poverty status, number of weeks worked in the last year, the presence of a work-limiting condition which indicates whether respondents have any lasting physical or mental health condition that causes difficulty working, limits the amount or type of work they can do, or prevents them from working altogether and public sector employment. The sample was limited to Minnesotans of working age (over 15 and under 65).

The Minnesota Center for Health Statistics provided administrative data that represent the population of Minnesota residents with death certificates in the years 2011–2015. Cause of death is reported according to the International Classification of Disease (ICD-10), race/ethnicity, and national origin, age, gender, marital status, level of education, and geography in the form of a zip code. Only Minnesota residents for whom a death certificate is available were included in the analysis. If a Minnesota resident died in another state, the circumstances of their death are still reflected in the data. However, information about non-Minnesota residents who died in Minnesota is not included in the

data. We aggregate these populations to form estimates of the age-adjusted mortality rate by a given cause of death.

3. Results

Between 2011 and 2015, there were 204,723 deaths with certification numbers recorded in Minnesota (Center for Health Statistics Vital Records on Mortality Data, 2011–2015). Of that total, 12,306 or about 6% were listed as American Indian, African American, or Asian American, and 2051 or 1% were listed as Hispanic/Latino. Of these 12,306, 5819 (2.84%) were African Americans; 2773 (1.35%) were American Indians; 2951 (1.44%) were Asian Americans or Pacific Islanders; and 763 (0.37%) were Other races. Table 1 shows that the three ethnic groups with the highest overall mortality rates are American Indian, African American (not African), and Southeast Asian (Vietnamese, Bhutanese, Cambodian, Hmong, Laotian, Thai, and Burmese) or unspecified Asian. In comparison to the age-adjusted mortality rates for Whites, age-adjusted mortality rates are twice as high for American Indians; 1.19 times as high for African Americans; and 1.02 times as high for Southeast Asians.

Table 1. Age-adjusted overall mortality rate by race/ethnicity, in Minnesota (MN), 2011–2015.

Race/Ethnicity	2011–2015 Overall Mortality Rate in MN per 100,000 persons	Disparity Ratios for Overall Mortality Rate
White	711.79	1.00
African American, all	849.94	1.19
African American, NOT African	848.15	1.19
Western African	317.35	0.45
Eastern African	404.40	0.57
American Indian	1589.34	2.23
Asian and Pacific Islander	573.33	0.81
Southeast Asian or Unspecified Asian	727.44	1.02
Asian and Pacific Islander, NOT		
Southeast Asian or Unspecified Asian	365.88	0.51
Other/Multi race	269.07	0.38
Hispanic/Latino (any race)	527.21	0.74

Asians and Pacific Islanders have lower overall mortality rates than White Non-Hispanics, which means there should not be any excess deaths from these two race/ethnic groups. However, if we focus on particular age groups, Asian and Pacific Islander children under 15 years old have higher mortality rates than their White Non-Hispanic peers. As shown in Figure 1, the disparity ratio between Asian and Pacific Islander children to all Minnesota children from 5 to 14 years old is 4.94. American Indians in Minnesota experience the worst health disparities of all ethnic/racial groups. They have the highest mortality disparity ratios for chronic liver diseases, influenza and pneumonia, diabetes, motor vehicle and other accidents, and homicide (Appendix Table A1). Sarche and Spicer [27] linked these adverse health outcomes to poverty and barriers to employment due to geographic isolation and lack of employment opportunities. Meanwhile, non-Hispanic Whites experience higher mortality rates than Hispanics/Latinos in Minnesota, with a 711.79 per year mortality rate for the non-Hispanic White population and 527.21 for Hispanics. However, the Hispanic/Latino population experiences mortality disparities in chronic liver disease and homicide (Appendix Table A1).

As Table 2 shows, a large number of lives could be saved among minorities depending on the model used, indicating that the differences between minority groups play an important role in defining these estimates. If we break down potential lives saved by reducing illness-related and non-illness-related causes (including homicide, suicide, motor vehicle accidents, other accidents, and other external causes), then 397 to 629 minority lives could be saved per year, while 78 to 183 minority lives could be saved by reducing non-illness-related causes. The associated per year economic benefits for lives saved among minorities is presented in Figure 2 and the range of the resulting estimates can be found in Appendix Table A2. Once the health disparities for minorities are eliminated, the lower

bound of the value that can be saved is \$1.226 billion and the upper bound of the value that can be saved is \$2.940 billion.

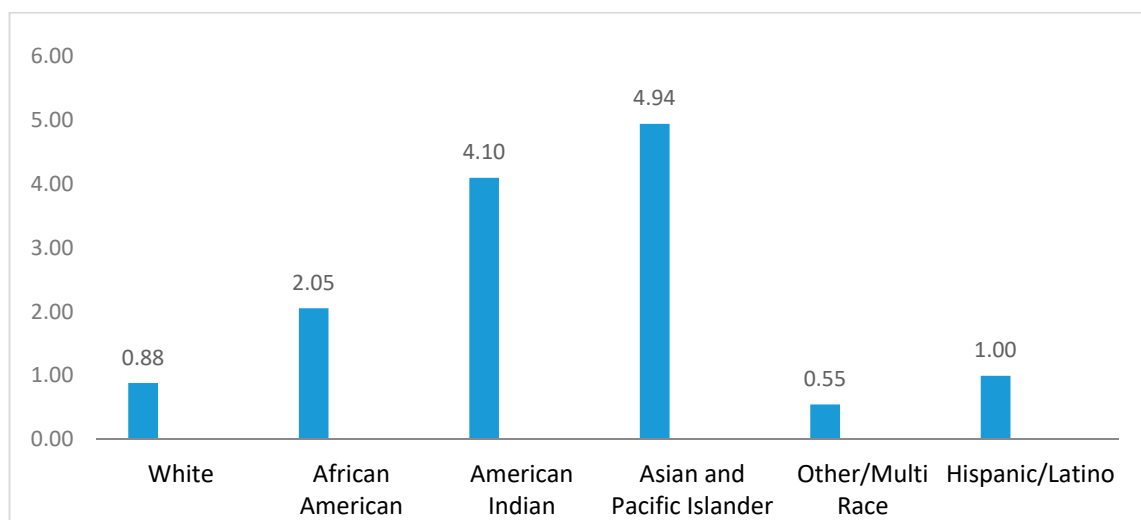


Figure 1. Disparity ratios for mortality rate, children ages 5–14.

Table 2. Annualized potential lives saved among minorities by cause of death.

Cause of Death	African American	American Indian	Asian and Pacific Islander	Other Races	Hispanic/Latino (Any Race)
Alzheimer’s Disease	0 to 0	0 to 0	–1 to 0	–1 to 0	–1 to 0
Cancer	60 to 68	37 to 43	–20 to 5	–41 to 0	–12 to 1
Chronic Liver Disease and Cirrhosis	0 to 3	22 to 23	–8 to 0	–4 to 0	–13 to 3
Chronic Lower Respiratory Diseases	11 to 12	12 to 13	–8 to 1	–7 to 0	–7 to 3
Diabetes	13 to 14	13 to 13	–1 to 2	–3 to 0	–7 to 2
HIV	10 to 10	1 to 1	0 to 0	0 to 0	0 to 2
Homicide	43 to 43	8 to 8	2 to 2	1 to 2	1 to 7
Influenza and Pneumonia	5 to 5	7 to 7	–1 to 1	–2 to 0	–1 to 7
Major Cardiovascular	91 to 95	56 to 60	0 to 6	–23 to 0	–5 to 1
Missing	22 to 22	13 to 14	7 to 7	–1 to 1	–5 to 5
Motor Accidents	–3 to 1	12 to 13	–5 to 1	–9 to 0	0 to 5
Kidney Diseases	7 to 7	2 to 2	0 to 1	–1 to 0	0 to 2
Other Accidents	39 to 41	44 to 45	–18 to 2	–18 to 0	–5 to 1
Other Diseases	103 to 109	65 to 69	2 to 15	–40 to 0	–6 to 5
Other External Causes	4 to 5	4 to 4	–1 to 1	0 to 0	–4 to 5
Suicide	–8 to 2	10 to 12	–9 to 1	–18 to 0	–17 to 1

From 2005 to 2007, in Minnesota, 164,396 persons did not work at any point during a year as a result of illness. Of those, 29,103 or 17.7% were minorities. A non-Hispanic White worker with an illness missed an average of 43.46 weeks whereas minorities missed 46.13 weeks on average. This suggests that although there are some who may continue to work while they have a work limiting condition, most miss work altogether. As seen in Table 3, these differences in the number of weeks lost due to illness resulted in African Americans, American Indians, Asians and Pacific Islanders, as well as persons of other or multiple races missing more work than their White counterparts.

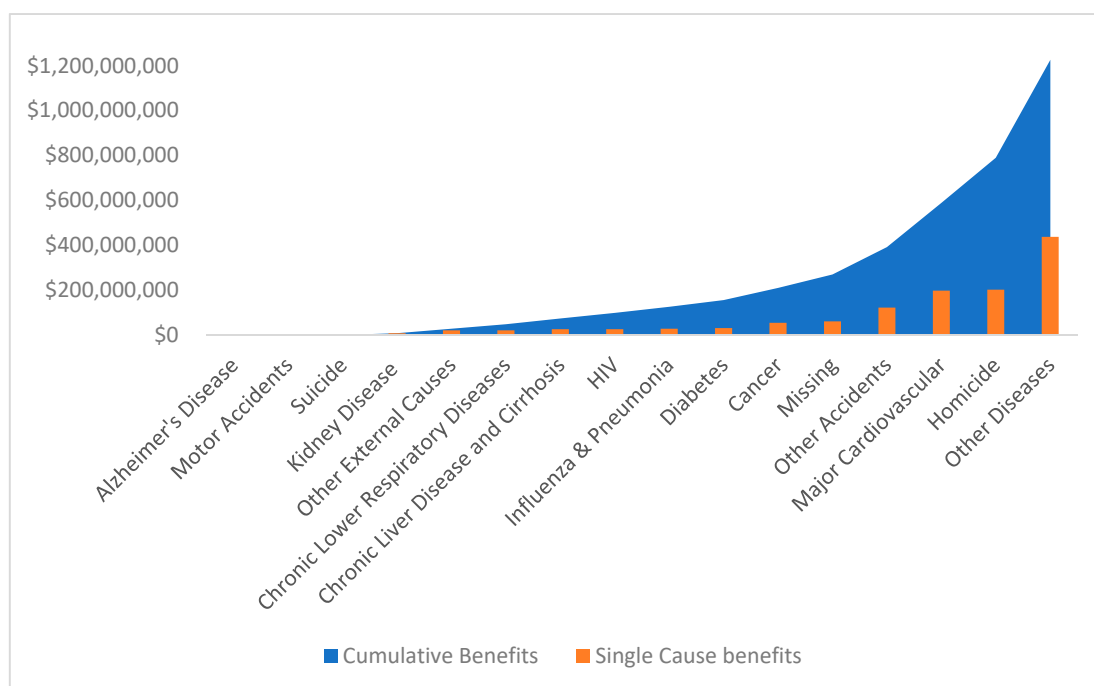


Figure 2. Annualized economic benefits for saved lives (2011–2015), lower bound.

Table 3. Weeks of work missed due to illness, ages 16–65 (2005–2007).

Race/Ethnicity	Missed Weeks	Disparity Ratio	SD	Weighted N
White	43.43	0.9887	15.90	137,578
African American	46.99	1.0696	12.07	11,703
American Indian	48.02	1.0930	10.42	4127
Asian and Pacific Islander	45.99	1.0468	14.38	5676
Other/Multi Race	44.71	1.0177	13.34	5312
Hispanic/Latino (Any Race)	40.56	0.9232	15.94	4838
Binary Classification				
White, Non-Hispanic	43.46	0.9893	15.91	135,293
Minority	46.13	1.0500	12.92	29,103
Total	43.93	1.0000	15.45	164,396

Table 4 presents our logistic model estimation of the probability of missed work due to illnesses obtained a range of 4,217 to 9,185 additional minorities who would have worked had there been no racial disparity. Appendix Table A3 illustrates the underlying logistic models, in which controls include age, gender, head of household, household poverty, education, and military service. In short, 0.91% to 1.99% minorities of working age would have worked each year had there not been a racial disparity. For those additional minorities who would have worked, the average number of weeks persons would have worked in 2007 is 39.98 weeks, which equals the real average number of weeks worked in the year of 2007 for Minnesotans. For the state of Minnesota, the average estimated economic benefits of increased work had there been no unexplained racial disparities in weeks not worked due to illness is \$427.33 million.

Table 5 illustrates the Blinder–Oaxaca decomposition analysis of the number of extra weeks that minorities would have worked had there been no unexplained racial disparity. The estimates yield between 1.72 and 2.12 extra work weeks, which equals 4.3% to 5.3% of the average number of work weeks for Minnesotans. The covariates included in the decomposition analysis are age, highest achieved educational level, gender, household poverty, military service history, household head, and employment in the public sector.

Table 4. Annualized additional number of minorities who would have worked had there been no disparity, ages 16–65 (2005–2007).

Model Specification	$\beta_{minority}$	1–p	p	Weighted MN Minority Working Age People (N_m)	Additional number of minorities who would have worked (ΔN_m)
Model 1	0.3798	0.9446	0.0554	462,109	9185
Model 2	0.3494	0.9446	0.0554	462,109	8449
Model 3	0.1744	0.9446	0.0554	462,109	4217
Average					7284

Table 5. Blinder–Oaxaca decomposition of difference in weeks missed due to illness, between Non-Hispanic Whites and minorities, ages 16–65 (2005–2007).

Predicted Missed Weeks of Work	Model 1	Model 2	Model 3	Model 4
	b/(t)/[se]	b/(t)/[se]	b/(t)/[se]	b/(t)/[se]
Minority	46.1282 *** (70.4467) [0.6548]	46.1282 *** (70.3669) [0.6555]	46.1282 *** (70.7899) [0.6516]	46.1282 *** (70.8121) [0.6514]
White, non-Hispanic	43.4605 *** (128.0687) [0.3394]	43.4605 *** (129.3139) [0.3361]	43.4605 *** (128.1400) [0.3392]	43.4605 *** (129.4115) [0.3358]
Difference	2.6678 *** (3.6173) [0.7375]	2.6678 *** (3.6214) [0.7367]	2.6678 *** (3.6316) [0.7346]	2.6678 *** (3.6401) [0.7329]
Explained Portion (%)	0.9507 ** (35.64%) (2.2006) [0.4320]	0.7317 (27.43%) (1.6247) [0.4503]	0.6510 ** (24.40%) (2.3007) [0.2829]	0.5507 * (20.64%) (1.7758) [0.3101]
Unexplained Portion (%)	1.7171 * (64.36%) (1.9108) [0.8986]	1.9361 ** (72.57%) (2.2135) [0.8747]	2.0168 *** (75.60%) (2.7316) [0.7383]	2.1170 *** (79.35%) (2.9133) [0.7267]
Minorities (N)	556	556	556	556
White, non-Hispanics (N)	4306	4306	4306	4306

Robust Standard Errors in Parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

4. Discussion

This paper examines health disparities that affect minority groups in Minnesota and estimates the economic benefits if these disparities were eliminated. The findings establish that most racial/ethnic groups in Minnesota experience health disparities. Should those disparities be eliminated, the state economy could see at least an additional \$1.226 billion in economic activity. The savings from work-limiting health conditions that impact the number of weeks minorities miss during a year could bring over \$247.43 million to the local economy. Economic gain aside, the problem of health disparities must be addressed because it affects the quality of individual lives and entire communities in Minnesota and across the nation. Progress has been made at the state and national levels targeting and improving some health disparities, such as infant mortality rates [28,29], but many still persist. This study addresses the economic costs of health-related disparities and does not address well-documented structural barriers [30,31] and other determinants of health. Therefore, the cost estimates are conservative.

Meanwhile, local media and advocates in Minnesota foresee and have concerns about tomorrow's workforce shortages [32]. "Minnesota's aging workforce has tightened the current job market near its 'full potential,' meaning nearly one job for every applicant. Finding enough high-skilled workers will be among the top issues that face Minnesota's biggest companies in coming years." Once one

connects the current excess deaths among minorities and the expected future labor force shortages, the estimated economic costs for racial health disparities are even more conservative.

The estimates from this paper reflect a set of social determinants of health, associated with labor market participation and time lost due to health conditions. However, on the basis of the available data, we cannot perform an analysis for the disaggregated illnesses. Additionally, there may be factors that contribute to health that are correlated with race, ethnicity and national origin that are not included in the list of variables used in the analysis. For instance, it is well-documented that historical trauma and chronic stress are significant factors that influence the health of African American and Native American communities [33,34]. However, it is not possible to measure these variables with existing databases.

The decomposition analysis focuses on race and ethnicity. We control for gender in the regressions but we do not decompose the analysis separately by gender within racial and ethnic groups. Decomposition by gender might produce different estimates of the overall costs to society of racial and ethnic disparities in health.

Another important variable not included in the analysis is immigrant status. For instance, interaction between health and employment of recent immigrants from African may be different than that for the overall African American or African population of Minnesota.

From the overall mortality rate, we see that non-Hispanic Whites have higher mortality rates than Hispanics/Latinos in Minnesota. This finding is consistent with research on the Hispanic/Latino population nationwide and is known as the Hispanic or Latino Paradox [35,36]. The Hispanic/Latino Paradox states that Hispanics/Latinos have mortality and morbidity advantages over White Non-Hispanics due to positive selection via immigration [37]. The paradox arises because even though Hispanics/Latinos as a group have poorer social and economic outcomes newer arrivals are in better health. However, the research agrees that US-born Hispanics/Latinos experience a higher rate of mortality from certain cancers and chronic liver disease than their foreign-born counterparts [38]. Resilience, diet and nutrition, and social support and cohesion are known to be possible assets contributing to lower mortality rates among foreign-born Hispanics/Latinos [39].

In short, one important limitation of the analysis is our inability to flesh out empirically the possible immigration effects and interactions with race and ethnicity. As in other research where testing the Healthy Migrant Effect (HME) has proven to be difficult, this paper does not disentangle the interactions between ethnicity, race, and migration [40–43]. If anything, the HME might bias downward our measures of cost of lives saved and weeks worked through reductions in health disparities. Further research might uncover how immigration status affects estimates of number of lives saved and the economic benefits derived through reductions in racial/ethnic disparities in health.

5. Conclusions

Our results add to the health equity literature and provide policymakers with another tool to address persistent health inequities: even in Minnesota, with a relatively small minority population, there are substantial costs associated with racial health disparities. The costs accrue through lives lost and fewer weeks worked due to illness. The nontrivial cost savings via reductions in racial health disparities suggest that public and private investments can be justified to produce targeted improvements in the health of racial and ethnic minority group members.

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Conflicts of Interest: The authors declare no conflict of interest.

Appendix A

Table A1. Disparity ratio for age-adjusted mortality rate by cause of death and race/ethnicity in Minnesota, 2011–2015.

Race/Ethnicity	HIV Disease	Cancer	Diabetes	Alzheimer's Disease	Major Cardiovascular	Influenza and Pneumonia	Respiratory Diseases	Chronic Liver Disease	Kidney Disease	All Other Diseases	Motor Vehicle Accidents	All Other Accidents	Suicide	Homicide	Other External Causes	Missing
African American	7.23	1.23	1.48	0.77	1.05	0.78	0.90	0.91	1.60	1.11	0.69	1.23	0.69	6.11	1.94	2.14
American Indian	*	1.71	3.95	*	1.68	2.53	1.76	6.64	1.70	1.74	3.09	3.11	2.30	6.19	6.24	3.67
Asian and Pacific Islander	*	2.31	3.61	1.45	2.69	2.40	1.89	1.55	3.08	2.63	2.67	1.88	2.55	2.89	*	7.33
Hispanic/Latino (Any Race)	*	0.83	0.79	*	0.67	0.79	0.48	1.17	*	0.69	0.89	0.76	0.34	1.37	*	1.33
Other races	*	0.56	*	*	0.52	*	0.43	*	*	0.50	0.77	*	0.28	*	*	0.87
Binary Classification																
White	0.61	0.98	0.95	1.00	0.98	0.97	0.99	0.94	0.97	0.97	0.96	0.95	0.97	0.51	0.85	0.92
White, Non-Hispanics	0.59	1.02	0.98	1.03	1.01	1.00	1.03	0.96	1.00	1.00	1.03	1.02	1.00	0.47	0.86	0.94

Note: * Represents the cause of death having 20 or fewer cases of death. Disparity ratios are not calculated for those cases.

Table A2. Annualized estimated economic benefits from lives saved among minorities in Minnesota, by Age, 2011–2015 (unit: \$1 million, adjusted by Medical Service Price Index).

Race/Ethnicity	Age										
	0–4	5–9	10–14	15–19	20–24	25–29	30–34	35–44	45–54	55–64	65–75
African American	\$412.84 to \$425.91	\$25.56 to \$26.88	\$27.49 to \$29.02	\$24.56 to \$29.59	\$73.40 to \$78.68	\$53.15 to \$57.63	\$41.95 to \$46.33	\$105.86 to \$111.95	\$203.02 to \$211.73	\$157.65 to \$167.25	\$33.18 to \$38.13
American Indian	\$101.84 to \$107.69	\$9.57 to \$10.10	\$15.52 to \$16.08	\$30.59 to \$32.97	\$43.29 to \$46.24	\$64.28 to \$66.72	\$59.34 to \$61.80	\$123.73 to \$128.12	\$160.41 to \$166.35	\$107.95 to \$114.11	\$36.09 to \$40.36
Asian and Pacific Islander	\$79.06 to \$89.41	\$10.79 to \$11.79	\$3.90 to \$5.07	−\$3.45 to \$0.76	−\$15.10 to −\$10.14	−\$25.81 to −\$20.54	−\$24.83 to −\$20.67	−\$16.42 to −\$10.46	−\$29.45 to −\$20.69	−\$27.35 to −\$19.26	−\$11.83 to −\$5.24
Other races	−\$135.73 to −\$105.27	−\$9.87 to −\$7.56	−\$11.54 to −\$9.07	−\$35.10 to −\$25.04	−\$41.57 to −\$30.97	−\$28.99 to −\$18.33	−\$33.66 to −\$23.38	−\$53.90 to −\$38.78	−\$69.20 to −\$50.64	−\$48.78 to −\$30.07	−\$18.66 to −\$8.78
Hispanic/Latino (Any Race)	\$26.64 to \$27.08	\$7.03 to \$7.44	\$3.67 to \$4.05	−\$2.89 to −\$2.75	−\$10.13 to −\$9.99	−\$32.39 to −\$32.29	−\$26.49 to −\$26.36	−\$41.43 to −\$41.29	−\$17.67 to −\$17.57	−\$12.23 to −\$12.16	−\$0.07 to −\$0.05

Table A3. Logit model on probability of limited working conditions, Ages 16–65 (Integrated Public Use Microdata Series-USA (IPUMS-USA), 2005–2007).

Independent Variables	Logit 1	Logit 2	Logit 3
	(Robust SE) Z-score	(Robust SE) Z-score	(Robust SE) Z-score
Minority	0.3799 *** (0.0442) 8.5968	0.3495 *** (0.0490) 7.1269	0.1744 *** (0.0524) 3.3308
Age		0.0425 *** (0.0073) 5.8370	0.0773 *** (0.0072) 10.7313
Age Squared		0.0001 * (0.0001) 1.6854	−0.0003 *** (0.0001) −3.2054
Female		−0.1230 *** (0.0300) −4.0969	0.0023 (0.0327) 0.0700
Household Head		−0.1736 *** (0.0303) −5.7290	−0.1476 *** (0.0307) −4.8052
Under Poverty (100%)		1.7524 *** (0.0379) 46.1898	1.6675 *** (0.0385) 43.3563
Less Than High School			0.9116 *** (0.0440) 20.7115
Served in Armed Forces			0.3353 *** (0.0439) 7.6438
Constant	−2.8738 *** (0.0146) −197.4454	−5.1975 *** (0.1570) −33.1149	−6.0858 *** (0.1555) −39.1354
Number of Observations	101,434	101,434	101,434
Prob > Chi (2)	0.0000	0.0000	0.0000
The Pseudo R-squared	0.00157	0.0911	0.102

Robust Standard Errors in Parentheses. *** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$.

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THE TIME'S UP GUIDE TO

Equity and Inclusion During Crisis

SECOND EDITION
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Introduction: In This Together

This second edition of *The TIME'S UP Guide to Equity and Inclusion During Crisis* adds urgent and practical advice for leaders committed to leading anti-racist organizations. The convergence of compounding crises – the coronavirus pandemic, the devastating economic fallout that has accompanied it, and the long overdue reaction to state-sanctioned, racialized violence – has cast an irrefutable spotlight on social and workplace inequity and demonstrates how systemic sexism and racism show up in all aspects of U.S. society. These crises demand immediate action from organizations across sectors. Leaders must navigate them with compassion and resolve, root out inequities that exist within their organizations, define inclusive values, and set up anti-racist practices that will guide their communities now and moving forward.

Prioritizing diversity and inclusion within organizations is a moral obligation and a strategic business decision. Prior to this period of essential examination and transformation, the [business case for diversity was overwhelming](#), and now is not the time to lose any ground. The national reckoning on race makes it even more urgent to examine and combat systemic racism in workplaces of all types and across all industries. We believe that the fight to end gender discrimination and the [fight to end systemic racism are all our fight](#). Both require rigorous self-examination, strong leadership from the top, and a shared commitment to structural change.

Staying invested in building a diverse and inclusive work environment will ensure you retain the best talent, avoid the high cost of turnover, and exhibit the values that clients, customers, and consumers want to see from business in these difficult times. Here are practical actions you can take to build an anti-racist workplace, care for your people, equalize your workplace, and demonstrate your leadership.

Prioritizing diversity and inclusion within organizations is a moral obligation and a strategic business decision.

Building an Anti-Racist Workplace

Own the fight to end systemic racism at work

As with all organizational imperatives, the fight to end systemic racism needs to be led from the top and be informed by your employees, especially women of color who have been historically and systematically marginalized. But as you undertake this work, recognize that the systemic racism we are now grappling with in our national dialogue is NOT new.

Racism has chipped away at Black lives every single day for generations, including those of your Black leaders, colleagues, and staff. Consider the wider context of this moment: the killing of Black people by state-sanctioned racialized violence is unfolding amid a pandemic that is [disproportionately impacting](#) Black and Latinx communities. This is all happening because of institutionalized racism and sexism, which governs how we care for people in this country. Now is the moment to reflect deeply, examine your own organization, and speak up and show up for your staff.

Do not be silent in this moment

This is a moment when leaders everywhere need to speak out. If you are unsure what to say, seek guidance from your Diversity, Equity and Inclusion Lead or outside advocacy groups in developing a message that is authentic to you and your organization.

- ▶ **Don't let fear of saying the wrong thing keep you silent.** If you make a mistake, apologize quickly and reiterate your commitment to combatting racial and gender discrimination.
- ▶ **Know that silence can feel like violence for Black communities.** Black people across the country are calling on all of us to acknowledge the harm felt by their communities. Saying nothing builds on those acts of violence.

*The fight to end systemic racism needs to be **led from the top** and be informed by your employees, especially women of color who have been historically and systematically marginalized.*

- ▶ **Be humble about where you're starting from and commit to backing up public statements with action.** If you have not done this already, now is the time to add anti-racism to your core values and operationalize those values by evaluating all of your policies and decision-making processes through an anti-racist lens.

Don't just signal support. Root out racism at your workplace

- ▶ **Assess the demographic makeup of your entire staff**, at all levels, and up and down the wage scale.
- ▶ **Establish clear goals** tied to becoming an anti-racist workplace and attach owners and success metrics to them so that you can track your organization's journey over time.
- ▶ **Apply an [intersectional](#) analysis** as you seek to understand and improve the experience of your Black staff. Recognize the overlapping and interdependent systems of discrimination some of them may face because of their race, gender, sexuality, gender identity, ability, and other critical forms of identity, and center their experiences in this work.
- ▶ **Investigate the effects of your external actions on Black people and people of color, particularly women.** How do the products you produce or the policies you lobby for impact Black communities? What you can do through your business to support Black women? The work that your organization does externally is directly connected to your internal culture. It can either build credibility and trust or undermine your stated values.
- ▶ **Put resources towards efforts that actually enhance the lives of Black staff and Black communities.** Invest in structural changes that will genuinely benefit communities of color. For example, you can commit to a strategic planning process that centers on anti-racism; hire facilitators that specialize in racial equity and racial healing; or design long-term programs to develop and retain your Black talent. Set significant resources aside for training that effectively teaches people of all races and genders how to combat racist behavior, including unconscious bias and microaggressions.

Hold conversations to bring awareness to racism at work and create genuinely safe spaces where people can share their experiences openly

- ▶ **Hold space for your Black employees to gather and respect their boundaries and wellbeing.** This includes creating, funding, and prioritizing Black Employee Resource Groups (ERGs) and making time and space, either virtually or in real life, for ERGs to gather, support one another, and raise issues, such as toxic workplace culture, fears of retaliation, and other barriers that prevent clear pathways to career growth and promotions. And while this should be a safe space for your Black employees, communicate that there are channels – including anonymous ones – to address and correct issues raised by your Black ERG.
- ▶ **Lead with empathy.** This is likely an exhausting and emotionally trying time for your Black staff. Ensure that they understand paid time off is an available option and that work can be reallocated in the interim. Respect the response you receive and make the offer again at a later time without an expiration date.

INSIGHT

Learn the Definition of Anti-racism and Build Your Anti-racist Vocabulary

Start by grounding yourself in this work and examining your own privilege. Here are some key terms to learn as you delve deeper into these issues:

- ▶ **Systemic Racism:** Systemic racism is the complex interaction of culture, policy, and institutions that contribute to false hierarchies of human value.
- ▶ **Anti-Racism, [as described](#)** by Ibram X. Kendi, is a transformative concept that reorients and reenergizes the conversation about racism — and, even more fundamentally, points us toward liberating new ways of thinking about ourselves and each other. Anti-racism is defined as the work of actively opposing discrimination based on race by advocating for changes in political, economic, and social life. Anti-racism tends to be an individualized approach, which is set up to counter an individual's racist behaviors and impact.
- ▶ **White Supremacy:** The idea that white people and the ideas, thoughts, beliefs, and actions of white people are superior to people of color and their ideas, thoughts, beliefs, and actions. While most people associate white supremacy with extremist groups like the Ku Klux Klan and neo-Nazis, white supremacy is ever present in our institutional and cultural assumptions that assign value, morality, goodness, and humanity to the white group —while casting people and communities of color as worthless, immoral, bad, inhuman, and undeserving.
- ▶ **Intersectionality,** as coined by Kimberlé Crenshaw, is a framework for understanding how different aspects of a person's social and political identities (e.g., gender, race, class, sexuality, ability, physical appearance, etc.) combine to create unique modes of discrimination and privilege. Intersectionality identifies advantages and disadvantages that are felt by people due to this combination of factors.
- ▶ **Implicit biases:** Implicit biases are negative associations that people unknowingly hold. They are expressed automatically and without conscious awareness. Many studies have indicated that implicit biases affect individuals' attitudes and actions, thus creating real-world implications, even though individuals may not even be aware that those biases exist within themselves.

This is not a time to add additional responsibilities or offload emotional labor onto your Black staff, particularly Black women who may be experiencing additional caregiving responsibilities at home. Encourage managers to ask their Black team members how they want to be supported and to honor whatever they may need, especially if you don't fully relate to their healing process.

- ▶ **Create opportunities for all staff to come together as a group.** In addition to holding space for your Black staff to gather, bring your entire staff together to share what they are thinking and feeling, to answer questions or concerns, and to discuss how your organization should evolve to meet the essential demands of this moment. Recognize that every staff member is starting from a different place and that their proximity to and understanding of systemic racism will vary widely. Navigate these complexities by investing in experts and trained facilitators with cautiousness and understanding of these nuances – some of your staff are already consumed by racial injustices while others are only just coming to terms with it. Be prepared to meet each person where they are without tolerating sexist or racist views. Expect to manage and hold space for an array of emotions when you gather. Staff may be sad, angry, anxious, fearful, or a combination of all of these feelings.

Lead the way on anti-racist efforts while learning from your Black colleagues

- ▶ **Like other key priorities, anti-racism efforts should be led from the top, by the leadership team.** It is incumbent to educate yourselves independently, as this is self-guided work that you must approach before leading your teams [See *Demonstrating Your Leadership*, page 18]. Be humble about what you don't know and reach out for advice. Do the work by [studying](#) how white supremacy, racial violence, and systemic racism have shaped, and continue to shape, American society. These issues are complex and pervasive. Consider how they shape your workplace and the lives of your employees.
- ▶ **Give voice to Black leadership, colleagues, or employees, but do not lean on them to address these issues; you must own this work.** Involve Black staff in these efforts but don't expect them to do the work. Too often, Black staff and staff of color are called upon to help organizations navigate issues regarding race, only to end up shouldering burdens that are not theirs to carry. It is not right or fair to rely on your Black staff to tackle these issues; you must take the lead yourself.
- ▶ **If you're only asking for Black staff to weigh in on issues of race, that's an issue.** Give Black staff the option to contribute to your anti-racism work from the expertise of their lived experience and cultural sensitivity, but do not make assumptions about their time, emotional capacity, or interest in contributing. Give them credit, ask for their input, and run decisions by them, but be careful not to tokenize your Black staff.
- ▶ **Encourage and empower everyone to speak out against racist workplace practices and adopt a zero tolerance policy for this behavior.** Set up systems that enable and empower your employees to come forward if they confront racist, unsafe, or illegal practices at work. These should cover a range of behaviors, from the most egregious acts to microaggressions that deprive your staff of the dignity

they deserve at work. All of your employees, particularly women of color, must feel comfortable shining a light on workplace practices that jeopardize their safety or undermine their dignity.

- ▶ **Make sure you have a whistleblower policy in place that promotes a culture of transparency and accountability and gives staff a concrete way to share their concerns.** If you already have a whistleblower policy in place, review it and make sure it meets this moment. If not, work with your legal team to enact one that encourages your staff to unearth problems early and protects them from retaliation. Work with experts and facilitators to outline a clear process that facilitates learning, growth, and correction when incidents arise. Continue to check in with your staff about the processes that are created or revised. In a quickly evolving world, processes may need to be reevaluated or refreshed regularly.

Move into action swiftly to examine and dismantle racist and sexist practices embedded in all business functions

- ▶ **Evaluate the many ways racism shows up in the workplace and how racism harms staff and erodes company culture.** A lack of diverse representation at your organization may indicate racism or sexism within your recruiting and hiring practices. And language used in performance evaluations may reveal internal biases that impact pay and promotions.
- ▶ **Remove racism from your recruiting, hiring, and talent management processes and increase Black representation across all levels and departments.** If you have paused new hires or are moving more slowly to fill positions, take the time to look for and build a more diverse pool of candidates. And if you are in an industry that is growing and hiring, stay vigilant about protocols that promote the consideration of Black, indigenous, and people of color (BIPOC) and women, even when you need to staff up quickly. Below are some practical tips for diversifying your talent pool and advancing your Black staff:
 - ▶ **Focus your talent pipeline:** Recruit candidates from historically Black colleges and universities (HBCUs) and minority-serving institutions (MSIs). When recruiting at predominantly white institutions, seek out organizations that represent Black students and other students of color. Build relationships with networks that represent Black and POC emerging leaders. Work with your local high schools and community college systems.
 - ▶ **Commit to diversity internship, fellowships, and secondment programs** and commit a percentage of your internship hires to BIPOC. Consider how to support HBCUs and MSIs outside of recruiting. This could include investing in scholarships or offering financial support to these institutions in other ways.
 - ▶ **Overhaul your talent processes to remove racist practices.** Conduct a thorough examination of your interview process, your performance management practices, your compensation structures, and your retention and promotion policies. How are these processes failing your Black staff? What additional mentorship and sponsorship can you offer your talent of color to ensure that they are supported at each stage of their career and have the opportunity to reach their fullest potential within your organization?

- ▶ **Examine your company policies related to dress code**, including [hairstyles](#) and other matters related to appearance to ensure they are not barriers to BIPOC professional and socio-economic advancement. Know that perceptions about what is deemed appropriate are rooted in white supremacy. Learn about how respectability politics has impacted the Black community.

Position the fight to end systemic racism as an ongoing effort that you are committed to in the long run

Becoming an anti-racist organization is not a static achievement; it is life-long work that you and your colleagues must commit to each and every day. Make sure that the goals you set are understood, measurable, and embodied by everyone, and that every member of your team knows what role they play in achieving these goals. Remind everyone that you are building an essential muscle which will grow stronger with effort and time. There is no shortcut to this work; the only way forward is through.

As the author of *So You Want to Talk About Race*, Ijeoma Oluo, [says](#), “You don’t need to be free of racism to be an anti-racist. Anti-racism is the commitment to fight racism wherever you find it, including in yourself. And it’s the only way forward.”

Becoming an anti-racist organization is not a static achievement; it is **life-long work** that you and your colleagues must commit to each and every day.

Caring for Your People

Factor in diversity when making furlough, lay off, and return-to-work decisions

Maybe you were making great progress in diversifying your workforce before these crises or maybe that was a commitment you were just embarking on. Either way, a diverse workforce is critical to your business. As you confront difficult decisions around layoffs, furloughs, or who to bring back to work, you can prioritize diversity by:

- ▶ **Paying attention to the impact** those decisions may have on the diversity of your workforce, and including this factor in your decision-making;
- ▶ **Thinking about who is in the room** when you're making critical decisions; and
- ▶ **Organizing a task force** that includes a cross-section of employees at all levels to advocate for and represent the people you employ.

As you consider who to bring back or lay off, consider how to make your workforce more diverse. Examine “neutral” criteria like tenure as a basis for deciding who to furlough or lay off to make sure it does not have an unintended, disproportionate effect. It is often the case that new hires are disproportionately women or people of color — especially if you were intentionally diversifying your workforce prior to these crises — so using a “neutral” criteria like tenure could unintentionally eradicate your diversity gains.

If you have paused new hires, or are moving more slowly to fill positions, take the time to look for and build a diverse pool of candidates. And if you are in an industry that is growing and hiring, stay vigilant about protocols that promote the consideration of women and people of color, even when you need to staff up quickly.

COVID-19 has forced millions of qualified people — especially communities of color — out of work, so don't assume that an applicant who is unemployed doesn't have what it takes to get the job done. Instead, look at their recent employment history to assess their credentials. With so many qualified job seekers right now, this is an essential consideration when recruiting and hiring.

Implement other cost-cutting measures before laying people off

Before you lay people off, consider reducing executive pay, enacting a hiring freeze, pausing bonuses, and pursuing other cost-cutting measures that could save jobs. This would enable you to retain your diverse workforce and capitalize on their skills, knowledge of your business, and productivity to get through these crises. Or you can

turn to [job sharing arrangements](#) that retain employees while lowering costs. If you do enact pay cuts, start with the highest earners and do what you can to avoid reducing pay for your lower-paid employees who likely have fewer financial resources to fall back on. Your staff will appreciate you going the extra mile for them, and will respond in kind.

Reimagine roles in order to retain staff

Major multinational corporations in retail, finance, tech, and telecommunications are taking action on reskilling – not with small pilots, but rather with comprehensive plans to retrain large segments of their workforces. These programs signal that the “future of work” is no longer on the distant horizon.

Even if you are not making those large shifts, your business priorities may still evolve to meet this moment, and you may find that employees’ current roles and responsibilities must shift, too. Rather than furlough or lay off your people, you can retain them and reimagine their roles so they match your current business needs by:

- ▶ **Training your employees** on new skills and offering them opportunities that you might not otherwise;
- ▶ **Stretching more junior employees** and giving them the chance to grow in their roles and showcase different skills; and
- ▶ **Analyzing the salary of those remaining** in their jobs and taking on more work, making sure their compensation is still fair and not discriminatory.

As you make these shifts, constantly evaluate how these decisions may disproportionately impact the diversity of your workforce. Is one work unit fully occupied, while another is languishing? Are there individuals who are being left out as work is reallocated?

Your people will appreciate you going the extra mile for them, and will respond in kind.

Rethink the timing of your performance management process

Even in good times, performance reviews can be stressful and anxiety-producing. Recognize the pressures on your staff right now and delay performance reviews if you can.

When you are ready to conduct performance reviews:

- ▶ **Consider how the work employees are doing may differ from their “usual” assignments.** Take this into account in your reviews at all levels.
- ▶ **Be aware of how this unprecedented work environment may have limited your employees’ ability to perform or deliver results** when considering pay increases or promotions. Women, caregivers, and other vulnerable employees can be particularly disadvantaged by unintended consequences or assumptions about their work performance. For example, employees with kids at home may be viewed

as less committed to their work right now, when the reality is that they're spending more hours online than ever before.

- ▶ **Conduct a pay equity assessment** – and make sure any adjustments in pay do not disadvantage women, people of color, or other employees who are historically underpaid and undervalued.

Keep an eye on diversity when hiring contractors and vendors

Now is the time when your company's purchasing power can help strengthen the diversity of your contractors and vendors. You can show your commitment to diversity by expanding purchasing or investments in small, minority, or women-owned businesses or by prioritizing investments in communities hard-hit by these crises. Consumers, customers, and clients are looking for businesses that are stepping up during this challenging time, so it could give you a competitive advantage.

INSIGHT

How to Measure the Pay Gap at Your Company

Ensuring that your people are paid equitably is as important today as ever. When analyzing pay at your company across lines of difference – gender, race, ability, and more – it's important to analyze the median pay, not look simply at "equal pay for equal work."

For a median gender pay gap analysis, for example, you would look at the median pay of women working full time versus men working full time. Median pay is an unadjusted raw measure used by the Organization for Economic Cooperation and Development (OECD) to assess not only equal pay but equal opportunity by factoring in how many women serve in high-ranking roles.

Equalizing Your Workplace

Abide by social distancing guidelines – but don't isolate staff

Most companies are resuming operations under new conditions, with social distancing recommendations on site and limitations on the size of gatherings. As you implement these safety measures, make sure that they don't unintentionally roll back your work culture or exclude women, people of color, LGBTQIA+, people with disabilities, older workers, and other vulnerable employees from career advancement. Consider how your actions may have a disproportionate effect on some of your people by:

- ▶ **Being aware of which employees are moved out of "better" spaces** – further from amenities, less visible to clients, off the senior management floor, or away from key leadership and collaborators, if you must reconfigure your workplace to meet social distancing guidance; and
- ▶ **Committing to include a diverse group** when you convene people, and making sure women and other vulnerable employees are not unintentionally excluded if meetings or events are limited in size.

Seize opportunities to promote inclusive workspaces

Empty, or nearly empty, workplaces can provide the opportunity to promote diversity and inclusion in the long-run. Take advantage of this moment to make renovations, such as accommodations to enhance accessibility for disabled employees, converting gendered bathrooms into inclusive spaces, designating private spaces for nursing mothers, and displaying signage that is more welcoming and inclusive.

Offer flexible work schedules and working conditions to meet your people's needs

Working from home during this crisis has given many companies direct experience in how their business can still function with staff out of the office. Allowing that arrangement to continue as workplaces reopen can help you retain your employees and make them more productive. If your employees continued to work from home or you leveraged flexible scheduling in recent months, don't abandon these tools. Alternative work arrangements can make it easier for employees to balance the sustained demands of home and work during the COVID-19 pandemic, and can even increase productivity as they are able to focus on completing tasks at a time that works best for them.

Keep in mind that some employees may not feel comfortable coming back to work right away due to health concerns for themselves or their family. Allowing employees to work remotely – if possible – is one way a company can show concern for its workforce, while also avoiding questions about private health information. If possible, consider giving your people the option to return to the office – send out a survey to learn who wants to come back to the office and when, so you can plan ahead in a way that meets your company’s and your employees’ various needs.

Flexible scheduling allows people who cannot work from home the ability to adjust their schedules, so they can tend to caretaking or other demands at home. Flexible scheduling can work for large and small companies and benefit salaried and hourly workers alike. If you lead a large company, set up systems that allow your staff to select shifts. If you lead a small business, work with your employees to come up with creative ways to adjust their work schedules to meet everyone’s needs, such as allowing your team to work with each other to cover shifts. Finally, bear in mind that whatever scheduling system you use, you should provide your employees with notice and predictability in their work schedule – given the demands people are juggling at home, planning around a predictable work schedule is more important than ever.

Supply your teams with the tools they need to work at home effectively

Working from home is not created equal for everyone. Pay attention to any inequities in resources or technology that may make working from home more challenging for some. Perhaps they do not have high speed internet access or have to share one computer in the house with another working partner or children completing school work from home. Because they may not volunteer these challenges on their own, employers should take the initiative to raise these issues up front with the entire workforce and work with employees individually to create tailored solutions.

*Working from home
is **not created equal**
for everyone.*

Manage microaggressions in virtual and in-person contexts

When hosting virtual meetings, emailing, messaging, conducting one-to-one check-ins, or engaging with your people in real life, watch out for microaggressions. A [microaggression](#) “is a subtle way of showing one’s bias and discriminating tendencies. Any statement, joke, or inappropriate inquiry alluding to someone’s gender, race, or age can be a sign of a microaggression, especially if it’s said in the context of one’s weakness.” These are the frequent, often overlooked, behaviors that cause so many people, including women, Black workers, and other people of color, to feel excluded at work.

Microaggressions can happen anywhere, and remote work is no exception. In remote meetings, as in in real life, microaggressions can include talking over or cutting off

women, junior level team members, and people of color; not giving time to introverted thinkers; or soliciting input from some team members more than others.

To combat microaggressions, think expansively about who should be invited to virtual meetings and pay attention to who may not be speaking – or who’s getting interrupted or talked over during those conversations. You can correct those behaviors in the moment by calling on people who have been ignored or going back to points they raised earlier.

Microaggressions can also take place between individuals, such as inappropriate jokes or comments. Remote communications channels (emails, text, chat) may make it easier for aggressors to take license and harder for leaders to spot, so extra effort may be needed.

You can help root out microaggressions from your workplace by:

- ▶ **Educating yourself** about the many ways microaggressions show up in the workplace, acknowledging they exist, and recognizing how they can harm individuals and erode your company culture;
- ▶ **Holding conversations** to bring awareness to the issue and create safe spaces where people can share their experiences openly; and
- ▶ **Adopting a zero tolerance policy** for this behavior. If you notice microaggressions happening in your workplace, address them immediately.

Acknowledge the added responsibilities that caregivers have at home and co-create custom solutions to support their success

The pandemic has highlighted a struggle that many employees, especially working women, have confronted for years – the “second shift” of unpaid work that awaits them at home, where there may be children, ailing relatives, or older parents who need care and support. The challenges caregivers face are worsening as workplaces open – even as many schools, summer camps, and day care centers remain closed.

Recognize caregivers’ additional responsibilities and work with employees to help them balance these competing demands. This can take the form of alternative work arrangements or informal arrangements that allow a worker to go home early or come in late on occasion.

Don’t make assumptions about people’s availability. For example, you may hold a 6 p.m. meeting online to support employees who remain remote, without considering how that decision prevents parents from preparing their children’s dinner on time. Conversely, don’t assume that an employee cannot make a late evening meeting because they have children at home. Allow your people to freely express their challenges without fear of disapproval or prejudice, and work with them to co-create custom solutions.

Watch out for workplace harassment and take action when it happens

As employees return to work with higher stress levels, anxieties, fears, and uncertainty, be aware that incidents of sexual harassment, discrimination, and/or bullying could increase. What’s more, the fear of retaliation that prevents people from reporting these

incidents, even in good times, is all the more real with unemployment at record highs. As workforces shrink, companies may have fewer people in place to prevent or address workplace harassment, but confronting harassment head-on is as important as ever.

There's also evidence that COVID-19 is putting people at risk in their own homes, with the [National Domestic Violence Hotline](#) reporting that about half of all calls they received in April 2020 mentioned abusive and controlling behavior due to the pandemic. Employers can help by providing survivors of domestic violence, sexual assault, or stalking with information about emergency resources, access to the employee assistance program (EAP) service, and the ability to use their sick leave as [safe days](#) to get the services and assistance they need. Assure employees that if they or someone they know are living in an unsafe or violent home environment, they are not alone. Remind them that there are resources available to them, such as the [National Domestic Violence Hotline](#), which is open 24/7 and is both confidential and free. Seek out those resources yourself, so you can learn [how to support a colleague](#) who is being abused by an intimate partner.

INSIGHT

How to Bolster Your Anti-Harassment Policies During Crisis – and Beyond

- ▶ **Maintain strong reporting systems** through multiple channels to ensure that survivors have clear ways to report sexual harassment, even under virtual or short-staffed conditions, and are protected from retaliation.
- ▶ **Have a policy that encourages bystanders to speak up** for their fellow employees, without fear of retaliation.
- ▶ **Address complaints in a timely manner** and investigate them through remote processes, if necessary. Create clear protocols for phone and video interviews and hold frequent status updates with your investigative teams to stay on top of the cases they are handling. Keep complainants informed throughout the process.
- ▶ **Extend corporate sexual harassment policies to all your people** – including independent contractors and unpaid interns – to ensure that everyone you employ works in an environment free from harassment and discrimination.
- ▶ **Provide effective sexual harassment training**, tailored to your business, to your entire staff. Make sure it addresses the risks of sexual harassment in remote, virtual, or understaffed working conditions. Consider refreshing or recirculating information about sexual harassment in the context of this moment, with a focus on the additional burdens often experienced by women of color.

Offer permanent paid sick days and paid family and medical leave

The COVID-19 crisis has illustrated the importance of building in paid sick days and paid family and medical leave for all workers as a regular part of your business plan. In this period of tremendous economic difficulty, these policies are critical – and must be made permanent to keep your staff safe and supported over the long term.

Paid leave [improves worker retention](#) and increases worker productivity, and companies that implement this policy report that the rewards outweigh the costs. By investing in your workforce, you can retain your trained and committed employees and emerge stronger and ready to move forward as our economy comes back.

Additionally, provide bereavement leave and be flexible about timing. The pandemic has interfered with the ability for families to gather and grieve the loss of loved ones, whether their death was caused by COVID-19 or not. Staff may need time off to grieve a loved one who died months ago, and it's important to allow them time to do so.

INSIGHT

Key Features of Paid Leave Policies to Enact Now – and Keep Permanently

Everyone, at all times, but especially in the midst of this unprecedented public health crisis, needs paid leave, no matter their job or the size of their employer. The features and benefits of paid sick days and paid family and medical leave programs can vary and be molded to your business, but the reasons to take leave should include:

- ▶ **Paid sick days** should allow your people to take paid time off to visit the doctor, recover from an illness, care for a sick child or family member, or a family member with disability-related needs.
- ▶ **Paid family and medical leave** should allow your people to take paid time off to care for their own or family member's serious health conditions, for chosen family, newborns or newly adopted or fostered children, or for injured military service members.

In addition, while features will vary, all staff members should qualify for your paid sick days and paid leave programs – including part-time workers. This pandemic has demonstrated how critical paid sick days and paid leave are both for workers and for employers, and for the safety of our community as a whole. Therefore, this may be a time to also consider how you can extend these policies to freelancers and independent contractors who are a critical part of your business.

Demonstrating Your Leadership

Lead with empathy, transparency, and understanding

While stay-at-home orders and shuttered workplaces have been shared experiences during these crises, individuals have faced the effects of the pandemic, the subsequent economic fallout, and state-sanctioned racialized violence in many different ways. Some have been fortunate enough to escape illness and economic devastation, but struggled to homeschool their children and care for elderly parents while keeping up with work. Others have been directly affected by illness or have had loved ones lose jobs and economic stability. Some communities have been hit particularly hard: communities of color are collectively reeling from the disproportionate loss of hours, jobs – and lives due to the pandemic.

On top of this, many are experiencing outrage, pain, and injustice in response to the killings of George Floyd, Breonna Taylor, Ahmaud Arbery, Alton Sterling, Eric Garner, Sandra Bland, Laquan McDonald, and so many others whose names we may never know. Do not overlook how painful these acute experiences are for your staff, especially those whose personal lives have been shaped most significantly by recent events.

Empathetic leadership is especially called for now, and for the foreseeable future. Leaders must recognize that these discrete, but interrelated crises impact each of their employees differently – but significantly. Here are some steps you can take to lead with empathy:

- ▶ **Understand that every employee is grappling with distinct challenges** during this time, rather than make assumptions about what they are going through.
- ▶ **Recognize that the needs of your staff will evolve as these crises evolve** and commit to meeting their needs as best you can.
- ▶ **Be transparent** about the business decisions you must make and why. Take urgent steps toward transparency by publishing workforce diversity data and make concrete commitments that can be measured over time.
- ▶ **Show solidarity** with your people, especially those on the front lines.

- ▶ **Acknowledge and seek to understand** the ways employees up and down the wage scale are experiencing these crises.
- ▶ **Make mental health support widely available** to all staff, and make sure any employee assistance program (EAP) or other providers your company uses have clinical expertise and training in dealing with a diverse set of clients.
- ▶ **Ensure that your managers are informed**, trained, and aware of the issues that the staff they supervise may be facing, and give your managers the support they need to show up for your staff.
- ▶ **Look first for opportunities to add Black leadership** to your board of directors and leadership team and know that a lone voice is not enough.

Communicate constantly and transparently about all aspects of your business, including company benefits and policies

At times of great change and uncertainty, strong communication is key. Communicate frequently, utilizing all the modes and channels available to you, and with as much transparency as possible. In the absence of information, employees may not understand the decisions management is making or the scope of their rights and responsibilities.

- ▶ **Ensure that your company policies are transparent and easily accessible to all your people** – as well as any adjustments made to meet the demands of this moment. Make it clear in all your communications that employees can take advantage of these programs and resources without fear of repercussion or retaliation.
- ▶ **Host company-wide meetings and virtual town halls** to level the information and communication playing field, so all employees return to the office or continue to work remotely on equal footing.
- ▶ **When you build these new communication channels, keep the ones that are working permanent** – and expand on them. Being intentional in your ongoing communications is key to building inclusive and equitable workplaces.

Remember that not all staff may come back to the workplace with the same information

If your workforce has been working from home, or some were working while others were laid off, recognize that your employees may come back to the office with different experiences and knowledge about how your business operated during the quarantine period. Those who were not included in remote meetings may not be aware of the discussions and business decisions that were made during them. And casual discussions that help information flow throughout a shared office have not been taking place. Young employees who might

*At times of great change and uncertainty, **strong communication** is key.*

have been added to a meeting as a boss walked by their desk have missed out on opportunities to listen and learn.

These differences in experiences and information can lead to some people feeling “in the know” when in-person work resumes and others feeling left out. What’s worse: some people may be missing key pieces of information they need to succeed in their jobs.

Look out for these disparities in your workplace and increase your communication with everyone in response. If someone is struggling with an assignment, make sure they have the full background. Don’t assume that they absorbed the information conveyed in a virtual meeting – it may be that they weren’t invited to it in the first place.

Keep diversity and inclusion integral to your economic recovery strategy

Your commitment to diversity and inclusion, and to affinity or Employee Resource Groups (ERGs), has never been more important. Your diversity and inclusion leaders have the expertise and the vision to guide you through these uncertain times, to facilitate important input from your people, and to imagine new and innovative approaches to these new working conditions. At the same time, your diversity and inclusion leaders may be operating short-handed, so think about how to make sure this crucial skill set and knowledge base is maintained.

As you restructure work, consider what opportunities employees might lose out on in these new circumstances. For example, it may be harder for your people to connect over coffee, shadow a colleague, or build rapport with a sponsor or mentor. Social distancing and other pandemic protocols may prevent people from gaining meaningful access to senior leaders and one another. Account for those lost opportunities by

INSIGHT

How to Leverage Your D&I Leaders

When one mass media and entertainment company created a COVID-19 taskforce in response to the crisis, they took extra steps to ensure the group would provide diverse perspectives about their people, programs, and policy.

In addition to inviting senior leaders, they intentionally brought in diversity and inclusion leaders, heads of ERGs, and representatives from all levels. This newly designed task force resulted in greater feelings of inclusion, with employees reporting that they felt their needs were being heard and considered by the executive team.

retaining your diversity roles, ensuring funding for ERGs, diversity programs and initiatives, and protecting diverse talent pipelines.

Set a tone of strong and visible leadership from the top

Setting the tone and culture you want for your business always starts at the top. This is especially true now, when your staff will be looking to you for direction during uncertain times. Model the workplace practices you expect your employees to follow. For example, if you are encouraging people to work from home, make sure you and other leaders across the company are, too. Openly discuss both the business and personal challenges that you are working to overcome. And remember to communicate often about the values that are key to your business, including diversity, equity, and inclusion.

Measure the effects on workforce diversity as you make critical business decisions

As operations resume, companies must continuously track the ways these crises are affecting their staff and measure the impact that critical business decisions are having on the overall diversity of their workforce. Your clients, customers, and investors will want to know this information, as well as prospective employees.

In the immediate term, make sure to track the impact of staffing decisions on your workforce diversity, inclusion, and equity metrics so you can assess how your choices impact your company's make-up. Collecting data in the near term will help you determine if you are falling behind on your workforce diversity goals or staying on track – and enable you to devise a plan to meet or exceed them over the long-term.

The metrics each company keeps tabs on will differ, but you should be sure to measure:

- ▶ **The demographics of your entire workforce** – as you make reductions or furloughs, promote or consolidate, and as you hire;
- ▶ **The salaries and total compensation of all your employees**, so you can conduct a gender and racial pay gap analysis; and
- ▶ **How and to whom you distribute key assignments, opportunities, and workloads** as you reallocate work.

*Tracking and strengthening workforce diversity is **essential to your long-term success.***

Companies that track the impact of these crises on their staff and take steps to improve the economic stability of their employees are likely to see improved productivity and greater customer satisfaction. Tracking and strengthening workforce diversity is essential to your long-term success, so figure out how to measure it now to ensure you have the systems set up for the future.

Now is the time to double down on your values

How you live up to your values now will have future implications on hiring the best talent, attracting discerning customers, and building your business's resilience over the long haul. Before the pandemic, company leaders were already realizing how their workplace culture and values impacted their bottom line, as more and more workers and consumers make decisions on where to work and purchase goods and services based on how businesses live up to their stated values of community and inclusion.

We are seeing this continue amid the pandemic and protests, as the public is paying attention to – and being vocal about – business practices, ranging from the treatment of essential workers to accepting federal small business loan assistance to how organizations treat Black lives. Demonstrating a commitment to your values when times are tough will be noticed and rewarded by consumers who will return more quickly – and with greater loyalty than before.

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Conclusion: Equity, for Resiliency's Sake

TIME'S UP insists upon a world where work is safe, fair, and dignified for all – something that is only possible with the leadership and partnership of you, the business community. Prior to these crises, companies were making historic progress on diversity, equity, and inclusion and publicly committing to serve all stakeholders, not just shareholders. This work must continue with fresh resolve today.

We can no longer ignore the impact of this economic crisis, this health crisis, and this racial inequity crisis on women, particularly women of color and women in low-wage jobs:

- ▶ **COVID-19 has disproportionately impacted Black and Latinx communities**, where deaths are disproportionately high because the health care and support they've needed all along have been underfunded and ignored.
- ▶ **Between February and June 2020, [one in six](#) Black women have lost their jobs.** That's in part because Black women are overrepresented in the low-wage service industry jobs that have been lost. For those who are still working, they are overwhelmingly in frontline jobs risking their lives, and often for minimum wage.
- ▶ **Black women are also bearing the burden at home.** Those who are fortunate enough to work are balancing school, child care, and caring for elderly or sick relatives. And the jobs that have come back are not going to Black and brown women.

At TIME'S UP Foundation, our focus has always been on combating sexual harassment and building safe, fair, and dignified workplaces for everyone. However, the patriarchal system from which sexual harassment flows is intimately bound up in the racism and racial hierarchy that has governed the United States for centuries. And you can't solve the problem of sexual harassment without an anti-racist approach to this work.

The recommendations covered in this second edition of the guide are intended to offer initial guidance in the short term. Fostering and maintaining an anti-racist, anti-sexist workplace culture will take a sustained effort over time, but it's worth the time and investment. Because if our entire workforce is stronger, then our businesses and the entire economy will be more competitive, more resilient, and more prosperous in the long run.

We welcome all business leaders to join our community as we spearhead innovations in how we work – and develop a more inclusive, just, and resilient system for the future. Learn more by visiting us at timesupfoundation.org, and [please contact us with your feedback](#).



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THE ECONOMIC BURDEN OF HEALTH INEQUALITIES IN THE UNITED STATES



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THE ECONOMIC BURDEN OF HEALTH INEQUALITIES IN THE UNITED STATES

Thomas A. LaVeist, Ph.D.
Darrell J. Gaskin, Ph.D.
Patrick Richard, Ph.D.

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FOREWARD

Not everyone in the United States enjoys the same health opportunities. Studies show that minority Americans experience poorer than average health outcomes from cradle to the grave. They are much more likely to die as infants, have higher rates of diseases and disabilities, and have shorter life spans.

As the U.S. Congress and the Obama Administration work toward enactment of legislation to reform America's health care system, a central focus of the debate has been the projected cost of ensuring accessible and affordable health care to every citizen. While some have struggled with the premise that health care reform can actually reduce health-related spending, the experience of racial and ethnic minorities under our current health care system is a strong indication that improving opportunities for good health – and minimizing inequities in health care access and outcomes – may well be good for the nation's fiscal health, as well.

This study, commissioned by the Joint Center for Political and Economic Studies and carried out by leading researchers from Johns Hopkins University and the University of Maryland, provides important insight into how much of a financial burden racial disparities are putting on our health care system and society at large. The researchers examined the direct costs associated with the provision of care to a sicker and more disadvantaged population, as well as the indirect costs of health inequities such as lost productivity, lost wages, absenteeism, family leave, and premature death.

What they found was striking. More than 30 percent of direct medical costs faced by African Americans, Hispanics, and Asian Americans were excess costs due to health inequities – more than \$230 billion over a four year period. And when you add the indirect costs of these inequities over the same period, the tab comes to \$1.24 trillion.

As legislators look for ways to make health reform pay for itself, it appears that eliminating health inequities can provide an important source of savings. In addition, given the Census Bureau's estimate that by 2042 half of the people living in the United States will be people of color, it is imperative that we be prepared to address the health needs of an increasingly diverse population. There is no time like the present to begin focusing on the goal of health equity – a goal that is not only consistent with the American promise of opportunity, but in our long-term economic interest, as well.

Ralph B. Everett, Esq.
President and CEO
Joint Center for Political and Economic Studies

EXECUTIVE SUMMARY

We estimated the economic burden of health disparities in the United States using three measures: (1) direct medical costs of health inequalities, (2) indirect costs of health inequalities, and (3) costs of premature death. Our analysis found:

- Between 2003 and 2006 the combined costs of health inequalities and premature death in the United States were \$1.24 trillion.
- Eliminating health disparities for minorities would have reduced direct medical care expenditures by \$229.4 billion for the years 2003-2006.
- Between 2003 and 2006, 30.6% of direct medical care expenditures for African Americans, Asians, and Hispanics were excess costs due to health inequalities.
- Eliminating health inequalities for minorities would have reduced indirect costs associated with illness and premature death by more than one trillion dollars between 2003 and 2006.

INTRODUCTION

On the basis of a compelling social justice argument, government and philanthropy have devoted significant resources to develop research and interventions for addressing inequalities in health status and health care. The moral imperative of addressing health and health care inequalities was brought to the forefront of the public consciousness by the release of the Institute of Medicine's 2002 report, *Unequal Treatment: Confronting Racial and Ethnic Disparities in Health Care*. However, while there is a convincing social justice argument for confronting racial and ethnic health inequalities, there are also economic consequences associated with having a large segment of society suffer higher rates of illness and premature death and face inadequate access to quality health care.

Racial and ethnic disparities in health and health care impose costs on many parts of society, including individuals, families, communities, health care organizations, employers, health plans, and government agencies, including, of course, Medicare and Medicaid. These costs include direct expenses associated with the provision of care to a sicker and more disadvantaged population as well as indirect costs such as lost productivity, lost wages, absenteeism, family leave to deal with avoidable illnesses, and lower quality of life. Premature death imposes significant costs on society in the form of lower wages, lost tax revenues, additional services and benefits for families of the deceased, and lower quality of life for survivors. The direct and indirect costs of health inequalities to the economy have not been quantified, but are likely to be substantial.

Annually, the United States spends over \$2.2 trillion, or 16% of gross domestic product, on health care (Borger et al. 2006; Poisal et al. 2007). How much should society pay to eliminate health inequalities? The answer to this question depends on two factors: (1) what value does society place on equity, and (2) what cost does society bear by having health inequalities?

In this report we employ econometric analysis to estimate the direct medical costs and indirect costs to the economy of health inequalities. By doing so, we estimate the potential financial benefit that would accrue to the economy if every racial/ethnic group in the United States had similar health outcomes.

STUDY METHODS

We conducted three sets of analysis: direct medical costs of inequalities, indirect costs of health inequalities, and costs of premature death. See Appendix A for a more detailed description of the research methods.

Direct medical costs – We used data from the Medical Expenditure Panel Survey (MEPS) (Cohen et al. 1996/97) for the years 2002-2006 to estimate the potential cost savings of eliminating health disparities for racial and ethnic minorities. We first divided the sample into 14 cohorts based on gender and seven age groups: 18-24, 25-34, 35-44, 45-54, 55-64, 65-74, and 75 and over. We then determined which racial/ethnic group had the best health outcomes within each age/gender group. In most cases it was whites or Asians, but in a few cases Hispanics had the best health profile within a given age/gender group. We developed a model to estimate health care expenditures for each racial/ethnic group (African American, Asian, Hispanic, and white) using each racial/ethnic group's actual health status as recorded in MEPS. Then we re-estimated the model assuming that each racial/ethnic group had health status equal to that of the racial/ethnic group with the best health status in its age/gender group. The difference in the two models represents the potential direct medical cost savings if every racial/ethnic group had health outcomes equal to the racial/ethnic group with the best health outcomes.

Total expenditures in the MEPS include both out-of-pocket and third-party payments to health care providers but do not include health insurance premiums. Expenditures for hospital-based services include those for both facility and separately billed physician services. Total expenditures include inpatient, emergency room, outpatient (hospital, clinic, and office-based visits), prescription drugs, and other (e.g., home health services, vision care services, dental care, ambulance services, and medical equipment). Prescription drug expenditures do not include over-the-counter purchases.

Indirect costs of health inequalities – We used data from the MEPS for the years 2002-2006 to estimate productivity loss associated with health inequalities for racial/ethnic minorities. First, we used data from the 2002 MEPS to develop a two-part model to estimate days of work lost by adults due to a disability or illness. We predicted disability days using demographic, socioeconomic, location, and health status measures. We used the model to estimate the number of lost workdays due to an illness or disability during 2003-2006. Then we estimated the number of disability days for 2003-2006 with health inequalities eliminated. We compared this prediction of the number of disability days for 2003 to 2006 with an estimate that assumed each racial/ethnic group had health status equal to that of the racial/ethnic group with the best health profile within each age/gender group (there were seven age/gender groups: 18-24, 25-34, 35-44, 45-54, 55-64, 65-74, and 75 and over).

Costs of premature death – We used data from the National Vital Statistics Reports (Heron et al. 2009) to obtain the number of deaths and crude death rates by age and race for 2003 to 2006 (the data included seven age groups: 18-24, 25-34, 35-44, 45-54, 55-64, 65-74, and 75 and over). We then estimated the number of deaths that would have occurred for each racial/ethnic group if every group's death rate were equal to that of the racial/ethnic group with the lowest death rate within the age/gender category. The difference between the actual number of deaths and the estimated deaths represents "excess deaths." We computed number of years of life loss in each racial/ethnic groups by assuming that all persons would have lived to age 75 had they not died prematurely. We valued each year of life loss at \$50,000 (Hirth et al. 2000). This figure is based on the standard value used in cost-effectiveness analysis for medical intervention. Given that recent studies have valued a quality-adjusted life year at \$95,000 to \$264,000 (Braithwaite et al. 2008), \$50,000 is a conservative estimate.

To obtain total indirect costs, we summed the costs associated with illness with the costs of premature death. We computed the cost savings in current dollars and constant 2008 dollars using conversion factors published by the Bureau of Labor Statistics.

STUDY FINDINGS

Estimating direct medical costs of health inequalities – Eliminating health disparities for minorities would have reduced direct medical care expenditures by \$229.4 billion for the years 2003-2006 (see Table 1). More than 59% of these excess expenditures were attributable to African Americans, who have the worst health profile among the racial/ethnic groups. Health inequalities among African Americans led to \$135.9 billion in excess direct medical costs between 2003 and 2006. The potential direct medical cost savings for Hispanics was \$82.0 billion over the same time period, representing 35.7% of the total direct medical costs of health inequalities. Asians accounted for \$11.4 billion, about 5% of excess direct medical expenditures.

Table 1
Estimated excess direct medical care expenditures due to health inequalities, 2003 to 2006, constant 2008 dollars (billions)†

	African Americans	Asians	Hispanics	Total
2003	35.2	3.6	17.6	56.3
2004	32.0	2.7	18.2	53.8
2005	32.8	2.9	22.4	58.2
2006	34.9	2.2	23.9	61.1
Total	135.9	11.4	82.0	229.4

† All expenditures are standardized to 2008 dollars.

Source: Based on calculations using the Medical Expenditure Panel Survey 2003-2006.

In Table 2 we present estimates for total direct medical care expenditures incurred by African Americans, Asians, and Hispanics combined for 2003 through 2006 and compute the percentage of the medical care expenditures incurred for racial/ethnic minorities that can be attributed to the excess costs of health inequalities. Between 2003 and 2006, 30.6% of direct medical care expenditures were excess costs due to health inequalities.

Table 2
Estimated excess direct medical care expenditures due to health inequalities as a percent of the total expenditures for racial/ethnic minorities, 2003 to 2006, constant 2008 dollars (billions)†

Year	Total expenditures for minorities	Excess expenditures	Percent that is excess
2003	201.1	56.3	28.0%
2004	168.9	53.8	31.8%
2005	187.6	58.2	31.0%
2006	191.4	61.1	31.9%
Total	749.0	229.4	30.6%

† All expenditures are standardized to 2008 dollars.

Source: Based on calculations using the Medical Expenditure Panel Survey 2003-2006.

Estimating indirect costs of health inequalities – Eliminating health inequalities for minorities would have reduced indirect costs associated with illness and premature death by more than one trillion dollars between 2003 and 2006. Health disparities impose two types of indirect costs on society: (1) lower worker productivity, and (2) losses from premature death. We estimated the potential reduction in indirect costs if racial health inequalities did not exist (see Table 3).

Table 3
Estimated excess indirect costs to the economy due to health inequalities, 2003-2006, constant 2008 dollars (billions)†

	African Americans	Asians	Hispanics	Total
2003				
Illness	9.1	0.6	3.7	13.3
Premature death	185.6	0	50.6	236.1
Total	194.6	0.6	54.2	249.4
2004				
Illness	7.9	0.1	3.7	11.7
Premature death	185.6	0	51.4	237.0
Total	193.5	0.1	55.1	248.7
2005				
Illness	10.0	-0.3	3.6	13.2
Premature death	186.9	0	54.3	241.1
Total	196.9	-0.3	57.9	254.5
2006				
Illness	9.6	-0.3	2.7	12.0
Premature death	188.2	0	55.0	243.1
Total	197.8	-0.3	57.7	255.1
Four-year total				
Illness	36.6	0.1	13.7	50.3
Premature death	746.2	0.0	211.3	957.5
Total	782.8	0.1	225.0	1,007.9

† All expenditures are standardized to 2008 dollars.

Sources: Based on calculations using the Medical Expenditure Panel Survey 2003-2006.

About 95% of the indirect costs of health inequalities (\$957.5 billion) were due to the costs of premature deaths, while the remaining \$50.3 billion resulted from illness. African Americans accounted for \$782.8 billion, or more than 77% of all indirect costs attributable to health inequalities. Hispanics and Asians accounted for 22.3% and 0.03%, respectively, of indirect costs. As for the indirect costs of illness, nearly 73% were incurred among African Americans, compared to 27.2% for Hispanics.

COMMENT

Between 2003 and 2006 the combined direct and indirect cost of health inequalities in the United States was \$1.24 trillion (in 2008 inflation-adjusted dollars). This is more than the gross domestic product of India, the world's 12th-largest economy in 2008 (World Bank 2008), and equates to \$309.3 billion annually lost to the economy.

Sometimes the tremendous human suffering of health inequalities can be obscured by analysis such as was conducted for this report. However, it is not our intent that the utilitarian argument replace moral deliberation or the application of social justice. We should address health disparities because such inequities are inconsistent with the values of our society. Addressing them is the right thing to do. However, what our analysis shows is that social justice can be cost effective.

The large number of premature deaths represents a substantial loss of human potential, a loss of talent and productivity that might otherwise have contributed to the betterment of society. By exacting a substantial burden on the economy, health inequalities visit further suffering on society.

Usually we think of change as coming with costs, that doing something will cost more than doing what we are accustomed to doing. But in the case of health inequalities, doing nothing has a cost we should not continue to bear.

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APPENDIX 1 DETAILED STUDY METHODOLOGY

ESTIMATING THE DIRECT MEDICAL COSTS OF HEALTH INEQUALITIES

We used data from the Medical Expenditure Panel Survey (MEPS) for the years 2002-2006 to estimate the potential cost savings of eliminating health disparities for racial and ethnic minorities. The MEPS, a longitudinal survey that covers the United States civilian noninstitutionalized population, is fielded by the Agency for Healthcare Research and Quality based on a sampling frame of the National Health Interview Survey. The survey is widely used as an authoritative source of information on the nation's health care use, and AHRQ uses it to monitor the nation's progress on health care disparities (AHRQ 2006). More information about the MEPS is available at the website www.meps.ahrq.gov/mepsweb.

We developed our model of health care expenditures using the 2002 MEPS data and then used this model to estimate potential reductions in health care expenditures when health disparities are eliminated in the 2003-2006 MEPS data. To compute these costs, we conducted the following analysis. We used data from the 2002 MEPS to develop a model to predict health care expenditures for adults. We predicted health care spending using demographic, socioeconomic, location, and health status measures. The demographic factors were age, race/ethnicity, and gender. The socioeconomic factors were education, income, and health insurance status. The location factors were census region and urban-rural residence. The health status measures were:

- Self-reported general health status (ranging from excellent to poor)
- Self-reported mental health status (ranging from excellent to poor)
- Presence of a functional limitation
- Number of instrumental activities of daily living (IADL)
- Number of activities of daily living (ADL)
- Body mass index (BMI)/obesity measure
- Presence of chronic conditions (diabetes, asthma, asthma attack, high blood pressure, heart attack, angina, other heart disease, stroke, emphysema, joint pain, or arthritis).

We estimated a standard two-part model on the 2002 MEPS data (Buntin and Zaslavsky 2004). First, we estimated the probability of having nonzero health care expenditures during the year. Second, we estimated a log linear regression model where the dependent variable was the log of expenditures for those adults who had nonzero health care expenditures. We used a log model to address the skewness in the expenditure data. We eliminated outliers, i.e., observations with expenditures greater than \$62,000. We restricted the sample to adults, i.e., persons over the age of 17. The 2002 model was estimated on a sample of 26,312. We estimated the models using the survey regression procedure in STATA 10, which appropriately incorporates the design factors and sample weights. We applied specification and diagnostic tests of heteroskedasticity (the variance of the error term is not constant) as recommended by Manning and Mullahy (2001). We then applied this model to MEPS data from 2003-2006 to predict health care expenditures.

For each year from 2003 to 2006, we prepared two estimates of health care expenditures. The first predicted health care expenditures based on each respondent's actual health status. The second simulated health care expenditures when health disparities by race and ethnicity were eliminated. To eliminate health disparities we assigned each race and ethnic group the health profile for the race/ethnic group with the best health profile (in most cases Asians). To identify the best health profile, we pooled the 2003 through 2006 MEPS and divided the sample into 14 age-gender cohorts. There were seven age groups: 18-24, 25-34, 35-44, 45-54, 55-64, 65-74, and 75 and over. For each cohort we computed the average health profile of whites, blacks, Hispanics, and Asians. To create the best health profile, we took the best value for each health status/condition measure.

We assigned persons the best health profile values for the health status/condition variables for their cohort and took their values for the other independent variables along with the coefficients from the regression model to compute simulated health care expenditures. We used age-gender cohort-specific smearing factors to retransform the predicted log expenditures and the simulated log expenditures (Duan 1983; Duan et al. 1983). We subtracted the simulated results from the predicted results to compute the cost of health disparities. Using conversion factors published by the Bureau of Labor Statistics, we computed the cost savings in current dollars and constant 2008 dollars.

In addition, we computed similar cost estimates by applying the health status profile of the white population to each racial/ethnic group. The estimated cost savings are lower, \$43.8 billion in 2006 and \$173.8 billion over the four-year period. In this scenario, cost savings for Asians and Hispanics fall because some Asian/Hispanic cohorts were healthier than their white counterparts.

ESTIMATING THE INDIRECT SOCIETAL COSTS OF HEALTH DISPARITIES

Estimating the Indirect Costs of Illness

We used MEPS data for the years 2002-2006 to estimate productivity loss associated with health disparities for racial and ethnic minorities. To compute these costs, we conducted the following analysis. We used data from the 2002 MEPS to develop a model of days of work lost for adults due to disability or illness. We predicted disability days using demographic, socioeconomic, location, and health status measures. The demographic factors were age, race/ethnicity, and gender. The socioeconomic factors were education, income, and health insurance status. The location factors were census region and urban-rural residence. The health status measures were:

- Self-reported general health status (ranging from excellent to poor)
- Self-reported mental health status (ranging from excellent to poor)
- Presence of a functional limitation
- Number of IADL
- Number of ADL
- BMI/obesity measure
- Presence of chronic conditions (diabetes, asthma, asthma attack, high blood pressure, heart attack, angina, other heart disease, stroke, emphysema, joint pain, or arthritis.)

We used a Heckman two-step estimator to develop a labor supply model using the 2002 MEPS data (Greene 2005; Cameron and Trivedi 2008). First, we estimated the probability of missing a work day due to an illness or disability during the year. Second, we estimated a log linear regression model where the dependent variable was the log of number of disability days for those adults who had positive disability days. We used a log model to address the skewness in the expenditure data. We restricted the sample to adults, i.e., persons over the age of 17. The 2002 model was estimated on a sample of 26,312. We estimated the models using the survey regression procedure in STATA 10, which appropriately incorporates the design factors and sample weights. We then applied this model to MEPS data from the years 2003-2006 to predict the number of disability days.

For each year from 2003 to 2006 we prepared two estimates of disability days. The first predicted disability days based on each respondent's actual health status. The second simulated disability days by eliminating health disparities by race and ethnicity. To eliminate health disparities we assigned each race and ethnic group the best health profile. To identify the best health profile, we pooled the 2003 through 2006 MEPS and divided the sample into 14 age-gender cohorts. There were seven age groups: 18-24,

25-34, 35-44, 45-54, 55-64, 65-74, and 75 and over. For each cohort we computed the average health profile of whites, blacks, Hispanics, and Asians. To create the best health profile, we took the best value for each health status/condition measure.

We assigned persons the best health profile values for the health status/condition variables for their cohort and took their values for the other independent variables along with the coefficients from the regression model to compute the simulated health care expenditures. We used age-gender cohort-specific smearing factors to retransform the predicted log disability days and the simulated log disability days. We subtracted the simulated result from the predicted result and multiplied the difference by the estimated wage for the individual to compute costs.

Because health status affects the number of hours a person works and his or her wage, we developed a standard labor supply model, estimating labor force participation, hours, and wages, using the 2002 MEPS data. We then estimated labor force participation, hours worked for part-time workers, and wages for the 2003-2006 MEPS samples. We compared predictions for the actual sample to those for a simulated sample in which health disparities were eliminated. We valued the change in hours due to the elimination of health disparities at the predicted wage. We also computed the difference in wages due to improvements in health status.

Estimating the Costs of Premature Death

We used data from the National Vital Statistics Reports to obtain the number of deaths and crude death rates by age and race. We estimated the number of excess deaths due to disparities in death rates for each age group. We compared the actual deaths to the predicted number of deaths if the death rate equaled the lowest death rate for the racial/ethnic group within the age cohort. Typically this was the crude death rate for Asians. We computed number of years of life loss in each cohort by multiplying 75 minus the mean age of the cohort by the number of excess deaths (i.e., we assume that all members of the cohort would have lived to age 75 had they not died prematurely). We valued each year of life loss at \$50,000. This figure is based on the standard value used to evaluate the cost effectiveness of medical intervention. Fifty thousand dollars is a conservative estimate given that recent studies have valued a quality-adjusted life year at \$95,000 to \$264,000 (Braithwaite et al. 2008).

To obtain a total indirect cost, we summed the costs associated with illness and the costs of premature deaths. We computed the cost savings in current dollars and constant 2008 dollars using conversion factors published by the Bureau of Labor Statistics.

ABOUT THE JOINT CENTER AND ITS HEALTH POLICY INSTITUTE

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Ralph B. Everett, Esq. is President and CEO of the Joint Center for Political and Economic Studies, widely acknowledged as the nation's leading think tank for policy analysis and research on issues of concern to African Americans and other people of color. A native of Orangeburg, South Carolina, he has a 30 year track record of pioneering leadership in the nation's capital, having served in the 1980s as Staff Director and Chief Counsel of the U.S. Senate Committee on Commerce, Science and Transportation, and subsequently for more than 17 years as a partner at the international law firm of Paul, Hastings, Janofsky & Walker. A Phi Beta Kappa graduate of Morehouse College, Mr. Everett earned his J.D. from Duke University Law School.

Brian D. Smedley, Ph.D. is Vice President and Director of the Health Policy Institute of the Joint Center for Political and Economic Studies in Washington, DC. Formerly, Smedley was Research Director and co-founder of a communications, research and policy organization, The Opportunity Agenda. Prior to helping launch The Opportunity Agenda, Smedley was a Senior Program Officer in the Division of Health Sciences Policy of the Institute of Medicine (IOM), where he served as Study Director for the IOM reports, *In the Nation's Compelling Interest: Ensuring Diversity in the Health Care Workforce* and *Unequal Treatment: Confronting Racial and Ethnic Disparities in Health Care*, among other reports on diversity in the health professions and minority health research policy.

ABOUT THE AUTHORS

Thomas A. LaVeist, Ph.D. – William C. & Nancy F. Richardson Professor in Health Policy, Department of Health Policy and Management, Johns Hopkins Bloomberg School of Public Health; Director, Hopkins Center for Health Disparities Solutions, Johns Hopkins Bloomberg School of Public Health.

Darrell J. Gaskin, Ph.D. – Associate Professor of Health Economics, Department of African American Studies, University of Maryland; Adjunct Associate Professor of Health Policy and Management, Department of Health Policy and Management, Johns Hopkins Bloomberg School of Public Health; Faculty Associate, Hopkins Center for Health Disparities Solutions, Johns Hopkins Bloomberg School of Public Health.

Patrick Richard, Ph.D. – Assistant Research Professor of Health Economics, Department of Health Policy, The George Washington University School of Public Health and Health Services.

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Director of Partnerships
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National Museum of African
American History & Culture
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Worldwide Policy and Public
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