



City of Madison

City of Madison
Madison, WI 53703
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Master

File Number: 43374

File ID: 43374

File Type: Resolution

Status: Report of Officer

Version: 2

Reference:

Controlling Body: BOARD OF ESTIMATES

File Created Date : 06/15/2016

File Name: Conducting a review of the equity of health care costs charged to local government and public employees.

Final Action:

Title: ALTERNATE - ~~Conducting a review of the equity of~~ Requesting a briefing on health care costs charged to local governments and public employees in Dane County.

Notes:

Sponsors: Sara Eskrich, Barbara Harrington-McKinney, Amanda Hall, Matthew J. Phair and David Ahrens

Effective Date:

Attachments: 7/5/16 Health Care Memo/Ald. Sara Eskrich.pdf, CA-PPI - MBare testimony on Madison City Council Resolution 43374.pdf, 7/5/16 Jaffery Letter UW Health.pdf

Enactment Number:

Author: David Schmiedicke, Finance Director

Hearing Date:

Entered by: lveldran@cityofmadison.com

Published Date:

Approval History

Version	Date	Approver	Action
1	06/15/2016	David Schmiedicke	Approve
2	07/05/2016	Elizabeth York	Approve

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Finance Department	06/15/2016	Referred for Introduction				
	Action Text:		This Resolution was Referred for Introduction				
	Notes:		Board of Estimates				
1	COMMON COUNCIL	06/21/2016	Referred	BOARD OF ESTIMATES		06/27/2016	
	Action Text:		This Resolution was Referred to the BOARD OF ESTIMATES				

Notes:

1 BOARD OF ESTIMATES 06/27/2016 RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER Pass

Action Text: A motion was made by Verveer, seconded by Rummel, to RECOMMEND TO COUNCIL TO ADOPT - REPORT OF OFFICER. The motion passed by the following vote:

Notes: The motion passed by the following vote: 4:3: (AYE Rummel, Verveer, Wood, Soglin; NO: Cheeks, Eskrich, Harrington-McKinney)

Ayes: 4 Marsha A. Rummel; Zach Wood; Michael E. Verveer and Paul R. Soglin

Noes: 3 Barbara Harrington-McKinney; Sara Eskrich and Maurice S. Cheeks

1 COMMON COUNCIL 07/05/2016

Text of Legislative File 43374

Fiscal Note

No appropriation required at this time. ~~Costs will be absorbed within existing agency budgets. Any costs identified through the study process beyond current agency appropriations will be addressed through a separate resolution.~~

Title

ALTERNATE - ~~Conducting a review of the equity of~~ **Requesting a briefing on** health care costs charged to local governments and public employees **in Dane County.**

Body

WHEREAS, health insurance represents a dramatically growing element of public and private sector costs, currently representing over 17% of our nation's economy, and;

WHEREAS, local government, tax payers, and public employees have had to allocate scarce resources toward those rising costs, and;

~~WHEREAS, a recent Yale University study of health insurance costs found dramatic differences between the payers of health care, with charges to federal Medicare for services a fraction of the charges for services provided to public sector employers and their employees, and;~~

~~WHEREAS, analyses made in Wisconsin show lower charges for services under the Medicare program than those paid by the public sector employers and their employees, and;~~

~~WHEREAS, the City has studied health insurance plan design changes and other means to control health care costs, but that much of the burden in the public sector is the result of large-scale cost allocation methodologies established through federal law and implemented by health care providers, and;~~

WHEREAS, state property tax levy limits and severe constraints on local control leave limited resources to adequately compensate employees and address ~~these burdensome health care cost allocation methodologies~~ **high benefit costs**, and;

WHEREAS, public employee unions and associations and their employee memberships have worked tirelessly for decades to secure access to affordable health care for all, and;

WHEREAS, ~~public sector contracts with health care providers have provided the resources to offset lower reimbursements from the federal government~~ **the Common Council is interested in policy options available to local governments to help control health insurance costs**

while maintaining quality benefits for employees,

NOW, THEREFORE, BE IT RESOLVED that the City of Madison Common Council requests that the appropriate city staff collaborate with local health policy experts to provide a briefing for the Council, Mayor, and all other interested parties ~~Mayor convene a study and discussion process under the direction of the City Attorney, the City Finance Director and the City Human Resources Manager, with assistance from outside research and legal expertise, and engagement from public employee unions and associations to review~~ trends affecting local health insurance costs ~~issues of equity in health care cost allocation methodologies and~~ propose ~~determine~~ ways to secure immediate and long-term relief for the City of Madison, its ~~local government, tax payers, and~~ its public employees.