

Date: November 12, 2008

To: Larry O'Brien, Assistant City Attorney

From: Brad Wirtz, Human Resources Director

RE: MGO Revision Notes

When an employee does not elect to enroll in the City's Health Insurance Plan when originally hired the employee has the option of enrolling in the City's Health Insurance Plan at a later date. When an employee chooses to enroll at a later date the employee is required to enroll in the State of Wisconsin Public Employer's Group Health Insurance "Standard Plan" option for a minimum of three months. Following at least three months of enrollment in the Standard Plan an employee can then enroll in one of the City's HMO's during the dual-choice enrollment period. The "Standard Plan" has traditionally involved a substantial co-payment on the part of the employee.

The monthly co-pay in 2008 is \$385.16 for single coverage and \$963.28 for family coverage.

The monthly co-pay in 2009 is \$386.42 for single coverage and \$966.15 for family coverage.

This ordinance will reimburse the employee for the costs associated with enrollment in the Standard Plan. The reimbursement will be made following the employee's retirement from City employment.

This benefit has been adopted by the council in collective bargaining agreements and this ordinance will extend the benefit to non-represented employees.

The goal is to ensure that employees are not unnecessarily signing up for health insurance at the time of hire simply to avoid having to pay the co-pay in order to apply for benefits if necessary at a later date.