

[Sign In](#)

Legislative Information Center Home Legislation Meetings Common Council
 Boards, Commissions and Committees Members

 Share    ...  RSS  Alerts

Details Reports

File #:	35048	Version: 1	Name:	Authorizing the City of Madison to move certain groups of employees into the 90/10 co-insurance plan.
Type:	Resolution		Status:	Filed
File created:	7/30/2014		In control:	<u>BOARD OF ESTIMATES</u>
On agenda:	9/2/2014		Final action:	9/2/2014
Enactment date:			Enactment #:	
Title:	Authorizing the City of Madison to move certain groups of employees into the 90/10 co-insurance plan.			
Sponsors:	<u>Paul R. Soglin</u>			
Attachments:	1. <u>Memo to BOE on Health Care Plan design.pdf</u>			

History (4) Text

Fiscal Note

The City of Madison currently participates in the Wisconsin Public Employers (WPE) Group Health Insurance Program operated by the Wisconsin Department of Employee Trust Funds (ETF). This program allows access to HMOs in Dane County, including Dean, Group Health Cooperative, Physicians Plus, Unity-UW Health, and WEA Trust. The WPE enrolls 12,715 employees from municipalities and school districts throughout the state; the City of Madison represents approximately 21% of the total enrollment. The City's share of the program is approximately 40% to 50% of the total enrollment in Dane County.

The resolution would shift the City's participation from the Traditional Option under the program to the Co-insurance plan offered by the WPE. The Co-insurance plan is the same as that which is currently offered to State of Wisconsin employees. Under the Co-insurance plan, employees pay 10% of the discounted cost of health care services until the amount paid reaches the maximum out-of-pocket amounts. Maximum out-of-pocket amounts are currently \$500 for a single plan and \$1,000 for a family plan. Certain preventative visits and tests would not be subject to the Co-insurance requirements.

According to ETF, the Co-insurance plan has premiums that are 5% less than the Traditional Option. Based on actual health insurance premiums paid by the City in 2013 and expected health care cost inflation, the Co-insurance plan would save between \$1.5 million and \$1.9 million all funds

(approximately 85% to 90% of the savings would be realized in the general fund) . The amount of premium paid by employees would also be expected to decline as well. Out-of-pocket costs would increase for employees depending on utilization of health care services. Employees can choose to set-aside compensation in flexible spending accounts, up to federal tax law maximums, to pay out-of-pocket costs on a tax free basis.

Title

Authorizing the City of Madison to move certain groups of employee...

[Click here for full text](#)