



City of Madison

City of Madison
Madison, WI 53703
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Master

File Number: 43374

File ID: 43374

File Type: Resolution

Status: Passed

Version: 1

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: 07/05/2016

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

Notes:

CC Agenda Date: 07/05/2016

Sponsors: Paul R. Soglin

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, 43374 Alternate v. 2.pdf

Enactment Number:

Author: David Schmiedicke, Finance Director

Hearing Date:

Entered by: lveldran@cityofmadison.com

Published Date:

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

Action Text: A motion was made by Verveer, seconded by Ahrens, to Adopt.

1 COMMON COUNCIL 07/05/2016

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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

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

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 those burdensome health care cost allocation methodologies, 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.

NOW, THEREFORE, BE IT RESOLVED that the City of Madison Common Council requests that the 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 issues of equity in health care cost allocation methodologies and determine ways to secure immediate and long-term relief for local government, tax payers, and public employees.

