Legislation Details (With Text)

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File created:	10/11/2011	**In control:**	FINANCE & PERSONNEL COMMITTEE
On agenda:		**Final action:**	11/2/2011
Effective date:			
Title:	Substitute resolution relating to the plan design of the City's health insurance benefits program and the health insurance premium contribution rates for City employees in the police and fire service.		
Sponsors:	THE CHAIR		
Indexes:	FIRE DEPARTMENT, HEALTH INSURANCE, POLICE DEPARTMENT		
Attachments:	1. October 18 Letter from DER to Fire and Police Commission, 2. 2012 Active Rate Chart, 3. September 30 Letter from DER to Fire and Police Commission, 4. October 11 Fire and Police Commission Letter to Common Council, 5. DER Letter to Finance and Personnel Committee, 6. October 21 Fire and Police Commission Letter to Common Council, 7. Hearing Notice List		

Date	Ver.	Action By	Action	Result	Tally
10/11/2011	0	COMMON COUNCIL	ASSIGNED TO		
10/25/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
10/25/2011	0	FINANCE & PERSONNEL COMMITTEE	HEARING NOTICES SENT		
10/26/2011	0	FINANCE & PERSONNEL COMMITTEE	RECOMMENDED FOR ADOPTION	Pass	5:0
11/2/2011	1	COMMON COUNCIL	ADOPTED	Pass	14:0
11/7/2011	1	MAYOR	SIGNED		

110874

SUBSTITUTE 1

110300

THE CHAIR
Substitute resolution relating to the plan design of the City's health insurance benefits program and the health insurance premium contribution rates for City employees in the police and fire service.
Under s. 62.50(10), Wis. Stats., the salary or compensation of members of the police and fire departments may not be reduced without a previous written recommendation for the reduction from the Board of Fire and Police Commissioners. When Common Council File Number (CCFN) 110300 was adopted by the Common Council on July 26, 2011, and, arguably, reduced the compensation of members of the police and fire departments, no written recommendation from the Board of Fire and Police Commissioners had been received.

The Commission met in October 2011 and voted to recommend the changes in the health benefits provided to members of the police and fire departments.

This resolution repeals CCFN 110300 insofar as it applies to members of the police and fire departments who

are eligible for group health coverage on January 1, 2012, and reenacts it for all such personnel with no other effect on CCFN 110300.

It further authorizes the Department of Employee Relations to set the health insurance premium contribution rates for sworn, non-represented members of the police and fire departments effective January 1, 2012, the same as specified for all general City employees as provided in 110300.

Whereas, The City is interested in sustaining quality health benefits for all City employees and retirees at the most affordable costs to City employees, retirees and the City; and

Whereas, The Department of Employee Relations (DER) has recommended new group health coverage benefit plan changes for all City employees and retirees beginning January 1, 2012 with specific deductibles, co-insurance, co-pay, and out-of-pocket maximums for both a self-insured Exclusive Provider Organization (EPO) plan and for a Basic Plan/Preferred Provider Organization plan as described by the DER in an attachment to this file titled, "Summary of Health Insurance Benefits for City of Milwaukee," and

Whereas, The DER has recommended all active City employees pay up to 12% of their total 2012 health insurance premium cost (see attachment to this file titled "2012 Rate Chart for Active Employees" for the bi-weekly contribution rates that will apply effective January 1, 2012); the same as most other non-safety public employees across the state of Wisconsin and

Whereas, The DER has submitted correspondence clarifying that its prior recommendation that City employees pay up to 12% of their total 2012 health coverage premium cost was intended to include the sworn, non-represented members of the Police and Fire Departments but did not expressly reference this group; and

Whereas, Section 62.50(10), Wis. Stats., provides that the salary or compensation of members of the police and fire departments may not be reduced without a previous written recommendation for the reduction from the Board of Fire and Police Commissioners to the Common Council; and

Whereas, It could be claimed by members of the police and fire departments that the above-referenced group health coverage changes constitute reductions in salary or compensation and this issue has not been decided by the Wisconsin courts; and

Whereas, The Board of Fire and Police Commissioners met on October 5 and October 20, 2011, and voted to recommend the above-referenced changes to the health benefits provided to all members of the Milwaukee Fire and Police Departments, whether sworn or unsworn, except for members of the Milwaukee Police Association; and

Whereas, On July 26, 2011, the Common Council adopted and on August 4, 2011, the Mayor signed Common Council File Number (CCFN) 110300 approving the above-referenced January 1, 2012, health coverage benefit plan changes and premium contributions without a prior written recommendation from the Board of Fire and Police Commissioners and without clearly including sworn, non-represented members of the police and fire departments among those employees to whom the premium contribution requirements would apply, and the Common Council seeks to rectify those omissions; and

Whereas, The above-noted recommendations by the Board of Fire and Police Commissioners have now been transmitted to the Common Council in writing prior to the adoption of this resolution; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee that CCFN 110300 is repealed insofar as it

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applied to members (sworn and unsworn, represented and non-represented) of the Milwaukee Fire and Police Departments who are eligible for group health coverage on January 1, 2012, and is reenacted for these same personnel with no other effect upon CCFN 110300 and its original applicability to and effects upon all other employees or retirees; and be it

Further Resolved, That the DER is authorized to set the health insurance premium contribution rates for sworn, non-represented members of the police and fire departments effective January 1, 2012, the same as specified for all general City employees as referenced in CCFN 110300.

Department of Employee Relations

jro
10/21/11