

**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

Date: 11/28/2011

To: Lee Holloway, Chairman of the County Board of Supervisors

FROM: Patrick Farley, Director, Department of Administrative Services

SUBJECT: **Request to amend Chapter 17 of the Milwaukee County Code of General Ordinances as it pertains to employee wages and healthcare benefits based on the provisions of the 2012 Adopted Budget and to codify certain benefits of represented employees**

Background

Milwaukee County Code of General Ordinances contains various provisions that relate to employee wages and healthcare benefits. The wages and healthcare benefits defined in ordinance require modification due to changes approved in the 2012 Adopted Budget. As stated in the 2012 Adopted Budget, ordinance changes must be brought before the County Board for approval prior to January 1, 2012 to effectuate these changes.

Additionally, due to changes in collective bargaining under Wisconsin 2011 Act 10, the eligibility criteria for County paid retiree healthcare, which had been previously defined in collective bargaining agreements, will no longer be contained within future collective bargaining agreements for certain unions. In order to appropriately define the eligibility criteria, it is recommended that the Milwaukee County Code of General Ordinances be modified to reflect the eligibility criteria for all unions. Approval of this request will not modify these benefits.

Issue

The 2012 Adopted Budget assumes savings from changes in certain employee wages and healthcare benefits which would be effectuated by this resolution and ordinance change:

- Suspension of all step increases for employees in certain pay grades; this has the same effect as suspending step increases for all represented staff with the exception of the Milwaukee County Firefighters Association and Deputy Sheriffs' Association. *(Although there is a freeze on step increases associated with the Deputy Sheriffs Association 2009*

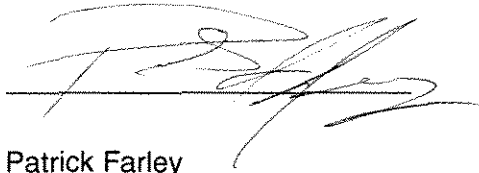
– 2012 collective bargaining agreement, no changes to the ordinance are recommended.)

- Implementation of a new employee health care plan for all employees and retirees and increased monthly premiums. *(Recommended changes to the ordinances reflect that monthly premiums are still a negotiable item with the Milwaukee County Firefighters Association and Deputy Sheriffs' Association.)* Major components of the new plan are outlined in *Attachment #1*.
- Implementation of the non-duplication Medicare coordination methodology.
- Expansion of the Flexible Spending Accounts (FSA) contribution for active employees who are enrolled in the County medical plan. Active employees are only eligible for the FSA contribution if they 1) enroll in the 2012 health care plan as adopted; 2) pay the monthly premiums as adopted; and 3) pay a pension contribution. The County will make a FSA contribution of \$500 for a single plan, \$1,000 for a family of two, and \$1,500 for a family of three or more.

With changes to collective bargaining under Wisconsin Act 10, eligibility criteria for represented employees to receive County paid healthcare upon retirement will no longer be defined in collective bargaining agreements for certain unions. Therefore, it is recommended that the eligibility criteria for all union members be specifically codified into ordinance for members of: American Federation of State, County and Municipal Workers; International Association of Machinists and Aerospace Workers; Technicians, Engineers and Architects of Milwaukee County; Milwaukee Building and Construction Trades Council; Milwaukee County Firefighters Association; Federation of Nurses and Health Professionals; Association of Milwaukee County Attorneys; and the Deputy Sheriffs Association. Approval of this request will not modify these benefits.

Recommendation

The Department of Administrative Services (DAS) is recommending approval of the proposed amendments to various sections of Chapters 17 of the Milwaukee County Code of General Ordinances regarding employee wage and healthcare benefits. The amendments are necessary to both effectuate the changes approved in the 2012 Adopted Budget to achieve budgeted savings and to codify eligibility for County paid retirement healthcare.



Patrick Farley

Director, Department of Administrative Services

Cc: County Executive Chris Abele
Supervisor John Thomas, Finance & Audit Committee
Supervisor Joe Sanfelippo, Personnel Committee
George Aldrich, Chief of Staff, County Executive's Office
Terry Cooley, County Board Chief of Staff
Pamela Bryant, Interim Fiscal & Budget Administrator
Kimberly Walker, Corporation Counsel
Matt Hanchek, Employee Benefits
Fred Bau, Labor Relations
Rick Ceschin, Senior Research Analyst, County Board
Steve Cady, Fiscal and Budget Analyst, County Board
Carol Mueller, Chief Committee Clerk
Jodi Mapp, Personnel Committee Clerk

Attachment 1

		Choice Plus Plan	
Benefit		(PPO Comparable)	
Monthly Contribution	Single	\$85	
	Family	\$170	
Lifetime Maximum Benefit	Unlimited		
		Preferred Providers:	All other providers:
Annual Deductible	Single	\$500	\$1,000
	Family	\$1,500	\$3,000
Annual Out-Of-Pocket Limit (Includes deductible and coinsurance)	Single	\$2,500	\$6,000
	Family	\$5,000	\$12,000
		Preferred Providers:	All other providers:
Coinsurance		80.0%	60%
Emergency Room		100% after \$200 copay	100% after \$200 copay
Office Visits		100% after \$30 copay	100% after \$60 copay
Prescription Drugs	Generic:	\$10	
	Preferred Brand:	\$30	
	Non-Preferred Brand:	\$50	
	Diabetic covered Supplies:	\$20	
Limited to 30-day supply at retail pharmacy <i>Mandatory Mail, 2x Retail copay</i>			

(ITEM) From the Director, Department of Administrative Services recommending adoption of a resolution/ordinance to amend various sections of Chapter 17 of the Milwaukee County Code of General Ordinances as it pertains to wage and healthcare benefits to make them consistent with the provisions of the 2012 Adopted Budget and to codify certain benefits of represented employees, by recommending adoption of the following:

A RESOLUTION

WHEREAS, adopted as part of Org. 1950 – Employee Fringe Benefits, and as part of each departmental budget, wage and healthcare modifications require adoption of the attached conforming ordinances to effectuate those adopted changes for all employees and retirees, and

WHEREAS, the wage modifications included in the 2012 Adopted Budget include a freeze on step increases for employees in certain pay grades, which has the same effect as suspending step increases for all represented staff with the exception of the Milwaukee County Firefighters Association and Deputy Sheriffs' Association, and

WHEREAS, the healthcare modifications recommended in the 2012 Adopted Budget include a new healthcare plan design, a monthly premium increase, and a change to the Medicare coordination methodology, and

WHEREAS, with the changes to collective bargaining under Wisconsin 2011 Act 10, the eligibility criteria for County paid retiree healthcare, which had been previously defined in collective bargaining agreements, will no longer be contained within future collective bargaining agreements for certain unions and is therefore recommended for codification into ordinance, now therefore

BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby amends Sections 17.10 and 17.14 of the Milwaukee County Code of General Ordinances by adopting the following:

AN ORDINANCE

The County Board of Supervisors of the County of Milwaukee does ordain as follows:

SECTION 1. Section 17.10 of the General Ordinances of Milwaukee County is amended as follows:

17.10. - Advancement within a pay range.

1 (6) From July 10, 2011 through July 9, 2013, notwithstanding any other provisions of this code,
2 the earlier of the legal effective date of 2011 Wisconsin Act 10, or the legal effective date of a
3 substantially similar state law that grants Milwaukee County the authority, in the same manner
4 as 2011 Wisconsin Act 10, to take the following action, until one year and one day thereafter,
5 notwithstanding any other provisions of this code, incumbents of a position represented on
6 July 9, 2011 by the American Federation of State, County and Municipal Employees District
7 Council 48 who would have received an advance in the pay range upon the meritorious
8 completion of two thousand eighty (2080) hours, shall be advanced to the next highest rate of
9 pay in the pay range provided for the classification only upon meritorious completion of an
10 additional four thousand one hundred sixty (4,160) two thousand and eighty (2080) straight-
11 time hours for full-time positions, and a prorated fraction thereof for employees whose
12 scheduled work week is less than forty (40) hours or who began employment after July 10,
13 2011 the earlier of the legal effective date of 2011 Wisconsin Act 10, or the legal effective date
14 of a substantially similar state law that grants Milwaukee County the authority, in the same
15 manner as 2011 Wisconsin Act 10, to take the preceding action. The intent of this section is
16 to temporarily suspend incremental salary advancements for employees represented by
17 District Council 48 for 2011, 2012 and 2013 one year consistent with the terms of the 2011
18 and 2012 Adopted Budgets.

19 (7) From January 1, 2012 to December 31, 2012, notwithstanding any other provisions of this
20 code, incumbents of a position represented on January 1, 2012 by the Association of
21 Milwaukee County Attorneys and by the Technicians, Engineers and Architects of Milwaukee
22 County shall be advanced to the next highest rate of pay in the pay range provided for the
23 classification only upon meritorious completion of an additional two thousand and eight (2080)
24 straight-time hours for full-time positions, and a prorated fraction thereof for employees whose
25 scheduled work week is less than forty (40) hours or who began employment after January 1,
26 2012. The intent of this section is to temporarily suspend incremental salary advancements for
27 employees in these positions for 2012, consistent with the terms of the 2012 Adopted Budget.

28 (8) From January 1, 2012 through December 31, 2013, notwithstanding any other provisions of
29 this code, incumbents of a position represented on January 1, 2012 by the International
30 Association of Machinists and Aerospace Workers or the Federation of Nurses and Health
31 Professionals who would have received an advance in the pay range upon the meritorious
32 completion of two thousand eighty (2,080) hours, shall be advanced to the next highest rate of
33 pay in the pay range provided for the classification only upon meritorious completion of an
34 additional four thousand one hundred sixty (4,160) straight-time hours for full-time positions,
35 and a prorated fraction thereof for employees whose scheduled work week is less than forty
36 (40) hours or who began employment after January 1, 2012. The intent of this section is to

1 temporarily suspend incremental salary advancements for employees in these positions for
2 2012 and 2013, consistent with the terms of the collective bargaining agreements and the
3 2012 Adopted Budget.

4 **SECTION 2.** Section 17.14 of the General Ordinances of Milwaukee County is amended as follows:

5 (7) Milwaukee County Group Health Benefit Program.

6 (a) Health and dental benefits shall be provided for in accordance with the terms and conditions
7 of the current plan document and the group administrative agreement for the Milwaukee
8 County Health Insurance Plan ~~or under the terms and conditions of the insurance contracts of~~
9 ~~a Managed Care Organization (HMO) approved by the county.~~

10 (b) All health care provided shall be subject to utilization review.

11 (c) Eligible employees may choose health benefits for themselves and their dependents under a
12 preferred provider organization (county health plan or PPO) ~~or HMO approved by the county.~~

13 (d) Eligible employees enrolled in the PPO ~~or HMO~~ shall pay a monthly amount toward the
14 monthly cost of health insurance as described below:

15 ~~(1) Effective January 2011 employees enrolled in the HMO comparable plan shall pay~~
16 ~~seventy-five dollars (\$75.00) per month toward the monthly cost of a single plan and~~
17 ~~one hundred fifty dollars (\$150.00) per month toward the monthly cost of a family plan.~~

18 ~~(2)~~ (1) Effective January 2011-2012 employees enrolled in the PPO comparable plan shall
19 pay ~~seventy-five~~ eighty-five dollars (\$75.00 85.00) per month toward the monthly cost
20 of a single plan and one hundred ~~fifty~~ seventy dollars (\$150.00 170.00) per month
21 toward the monthly cost of a family plan.

22 ~~(3)~~ (2) The appropriate payment shall be made through payroll deductions. When there
23 are not enough net earnings to cover such a required contribution, and the employee
24 remains eligible to participate in a health care plan, the employee must make the
25 payment due within ten (10) working days of the pay date such a contribution would
26 have been deducted. Failure to make such a payment will cause the insurance
27 coverage to be canceled effective the first of the month for which the premium has not
28 been paid.

29 (4) (3) The county shall deduct employees' contributions to health insurance on a pre-tax
30 basis pursuant to a section 125 plan.

1 (5) (4) The county shall establish and administer flexible spending accounts (FSAs) for
2 those employees who desire to pre-fund their health insurance costs as governed by
3 IRS regulations. The county retains the right to select a third party administrator.

4 a. The county shall make an annual contribution to the FSA account of each
5 active and enrolled eligible employee, who is ~~not covered by subsection~~
6 ~~201.24(3.11) of the pension ordinance the terms of a collective bargaining~~
7 ~~agreement, who is an elected official, or who is covered by a collective~~
8 ~~bargaining agreement that has adopted this ordinance that includes a~~
9 ~~mandatory employee pension contribution consistent with subsection~~
10 201.24(3.11) of the pension ordinance. The contribution shall be equal to the
11 in-network deductible applicable to employees enrolled under the PPO plan
12 and the deductible for employees enrolled under the HMO plan, as both are
13 defined under subsection 17.14(7)(n). The contributions shall be subject to
14 and in accordance with IRS regulations.

15 (e) In the event an employe who has exhausted accumulated sick leave is placed on leave of
16 absence without pay status on account of illness, the county shall continue to pay the monthly
17 cost or premium for the PPO ~~or HMO chosen by the employe~~ and in force at the time leave of
18 absence without pay status is requested, if any, less the employe contribution during such
19 leave for a period not to exceed one (1) year. The one-year period of limitation shall begin to
20 run on the first day of the month following that during which the leave of absence begins. An
21 employe must return to work for a period of sixty (60) calendar days with no absences for
22 illness related to the original illness in order for a new one-year limitation period to commence.

23 (f) Where both husband and wife are employed by the county, either the husband or the wife
24 shall be entitled to one (1) family plan. Further, if the husband elects to be the named insured,
25 the wife shall be a dependent under the husband's plan, or if the wife elects to be the named
26 insured, the husband shall be a dependent under the wife's plan. Should neither party make
27 an election the county reserves the right to enroll the less senior employe in the plan of the
28 more senior employe. Should one (1) spouse retire with health insurance coverage at no cost
29 to the retiree, the employed spouse shall continue as a dependent on the retiree's policy,
30 which shall be the dominant policy.

31 (g) Coverage of enrolled employes shall be in accordance with the monthly enrollment cycle
32 administered by the county.

33 (h) Eligible employes may continue to apply to change their participation in the health plan ~~to one~~
34 ~~(1) of the options available to employes~~ on an annual basis. This open enrollment shall be

1 held at a date to be determined by the county and announced at least forty-five (45) days in
2 advance.

3 (i) The county shall have the right to require employes to sign an authorization enabling non-
4 county employes to audit medical and dental records. Information obtained as a result of such
5 audits shall not be released to the county with employe names unless necessary for billing,
6 collection, or payment of claims.

7 (j) Amendments to the Public Health Service Act applies federal government (COBRA) provisions
8 regarding the continuation of health insurance to municipal health plans. Milwaukee County, in
9 complying with these provisions, shall collect the full premium from the insured, as allowed by
10 law, in order to provide the continued benefits.

11 (k) The county reserves the right to establish a network of providers. The network shall consist of
12 hospitals, physicians, and other health care providers selected by the county. The county
13 reserves the right to add, modify or delete any and all providers under the network.

14 (l) ~~Upon the death of any retiree, only those survivors eligible for health insurance benefits prior~~
15 ~~to such retiree's death shall retain continued eligibility for the county group health benefit~~
16 ~~program. Employees not covered by subsection (m) may, upon retirement, opt to continue~~
17 ~~their coverage in the county group health benefit program upon payment of the full monthly~~
18 ~~cost.~~

19 (m) The provisions of this subsection are considered a part of an employe's vested benefit contract
20 as more fully set forth in 201.24 (5.10). For the purpose of this subsection, service as a
21 county employe not to exceed six (6) months under an emergency appointment, if continuous,
22 may be included in calculating the fifteen (15) years of creditable pension service. The county
23 shall pay the full monthly cost of providing county group health coverage under section 17.14
24 to the following individuals:

25 (1) Upon retirement, eEmployes who were non-represented as of December 31, 2011, or
26 who were represented, as of December 31, 2011, by the American Federation of State,
27 County and Municipal Workers, or by International Association of Machinists and
28 Aerospace Workers, or by the Technicians, Engineers and Architects of Milwaukee
29 County, or by the Milwaukee Building and Construction Trades Council, or by the
30 Milwaukee County Firefighters Association, and who were hired prior to January 1, 1994,
31 and who have fifteen (15) years or more of creditable pension service as a county
32 employee, or who have at least seven and one-half (7½) years of creditable pension
33 service as a county employe and have also retired after fifteen (15) or more years of

1 service as a City of Milwaukee employe. ~~upon retirement shall be allowed to continue in~~
2 ~~the county group health benefit program and the county shall pay the full monthly cost of~~
3 ~~providing such coverage, in accordance with chapter 17 of the General Ordinances of the~~
4 ~~County of Milwaukee, section 17.14 and any other applicable ordinance or section. To be~~
5 ~~eligible for this benefit, an employe must have fifteen (15) years or more of creditable~~
6 ~~service as a county employe. Employes hired on and after January 1, 1994, may upon~~
7 ~~retirement opt to continue their membership in the county group health benefit program~~
8 ~~upon payment of the full monthly cost.~~

9 (2) Employes who were represented as of December 31, 2011 by the Federation of
10 Nurses and Health Professionals, and who were hired prior to September 27, 1995, and
11 who have fifteen (15) years or more of creditable pension service as a county employe,
12 or who have at least seven and one-half (7½) years of creditable pension service as a
13 county employe and have also retired after fifteen (15) or more years of service as a City
14 of Milwaukee employe.

15 (3) Employes who were represented as of December 31, 2011 by the Association of
16 Milwaukee County Attorneys, and who were hired prior to January 1, 2006, and who have
17 fifteen (15) years or more of creditable pension service as a county employe, or who
18 have at least seven and one-half (7½) years of creditable pension service as a county
19 employe and have also retired after fifteen (15) or more years of service as a City of
20 Milwaukee employe.

21 (4) Employes who were represented as of December 31, 2011 by the Deputy Sheriffs
22 Association, and who were hired prior to July 1, 1995, and who have fifteen (15) years or
23 more of creditable pension service as a county employe, or who have at least seven and
24 one-half (7½) years of creditable pension service as a county employe and have also
25 retired after fifteen (15) or more years of service as a City of Milwaukee employe.

26 (5) Retired members of the county retirement system who became members due to a
27 functional transfer from the City of Milwaukee and have a total of fifteen (15) or more years
28 of creditable pension service, to retired former employes of United Regional Medical
29 Services, Inc., who were employed by the county as of December 31, 1991, and who have
30 fifteen (15) or more years of aggregate service with the County, United Regional Medical
31 Services, Inc., United/Dynacare LLC, and Froedtert Memorial Lutheran Hospital
32 (Radiology Department) and to retired employes with fifteen (15) or more years of service
33 as a county employe in a teaching position.

1 (6) Beneficiaries of the foregoing employees in paragraphs (1) – (5) who continue to
2 receive benefits from the county retirement system after the death of such employee, and to
3 persons receiving survivorship benefits under section 201.24 (6.4) of the county pension
4 ordinance. Upon the death of any retiree, only those survivors eligible for health insurance
5 benefits prior to such retiree's death shall retain continued eligibility in the county group
6 health benefit program.

7 (n) All eligible employees enrolled in the PPO ~~or HMO~~ shall have a deductible equal to the
8 following:

9 (1) The in-network deductible for the PPO shall be five hundred dollars (\$500.00) per
10 insured, per calendar year; one thousand dollars (\$1,000.00) for a two-member family,
11 per calendar year; or one thousand five hundred dollars (\$1,500.00) for a three-
12 member or more family, per calendar year.

13 (2) The out-of-network deductible for the PPO shall be one thousand dollars (\$1,000.00)
14 per insured, per calendar year; two thousand dollars (\$2,000.00) for a two-member
15 family, per calendar year; or three thousand dollars (\$3,000.00) for a three-member or
16 more family, per calendar year.

17 ~~(3) The deductible for the HMO shall be five hundred dollars (\$500.00) per insured, per~~
18 ~~calendar year; one thousand dollars (\$1,000.00) for a two-member family, per~~
19 ~~calendar year; one thousand five hundred dollars (\$1,500.00) for a three or more~~
20 ~~member family, per calendar year.~~

21 ~~(4) (3) Co-payments do not apply towards meeting deductibles for the HMO or PPO.~~

22 (o) All eligible employees and/or their dependents enrolled in the PPO shall be subject to a thirty
23 dollar (\$30.00) in-network office visit co-payment or a sixty dollar (\$60.00) out-of-network office
24 visit for all illness or injury related office visits, including chiropractic visits. The in-network
25 office visit co-payment shall not apply to preventative care, as determined by the plan.

26 (p) All eligible employees and/or their dependents enrolled in the PPO shall be subject to a co-
27 insurance after application of the deductible.

28 (1) The in-network co-insurance shall be equal to ~~ten (10)~~ twenty (20) percent of all
29 charges subject to the applicable out-of-pocket maximum.

30 (2) The out-of-network co-insurance shall be equal to ~~thirty (30)~~ forty (40) percent of all
31 charges subject to the applicable out-of-pocket maximum.

1 (3) Co-insurance does not apply to those services that require a fixed amount co-
2 payment.

3 (4) The in-network co-insurance shall not apply to preventative care, as determined by the
4 plan.

5 (q) All eligible employees enrolled in the PPO shall be subject to the following out-of-pocket
6 maximums including any applicable deductible and percent co-insurance to a calendar year
7 maximum of:

8 (1) Two thousand five hundred dollars (\$2,500.00) in-network under a single plan.

9 (2) Five thousand dollars (\$5,000.00) in-network under a family plan.

10 (3) ~~Five~~ Six thousand dollars (~~\$5,000.00~~ \$6,000.00) out-of-network under a single plan.

11 (4) For the PPO, ~~seven thousand five hundred~~ twelve thousand dollars (~~\$7,500.00~~
12 \$12,000.00) out-of-network under a family plan.

13 (5) Office visit co-payments are not limited and do not count toward the calendar year out-
14 of-pocket maximum(s).

15 (6) Charges that are over usual and customary do not count toward the calendar year out-
16 of-pocket maximum(s).

17 (7) Prescription drug co-payments do not count toward the calendar year out-of-pocket
18 maximum(s).

19 (8) Other medical benefits not described in subsections (q)(5), (6), and (7) shall be paid
20 by the health plan at one hundred (100) percent after the calendar year out-of-pocket
21 maximum(s) has been satisfied.

22 (r) All eligible employees and/or their dependents enrolled in the PPO shall pay a ~~one hundred~~
23 ~~fifty dollar (\$150.00)~~ two hundred dollar (\$200.00) emergency room co-payment (facility only)
24 in-network or out-of-network. The co-payment shall be waived if the employee and/or their
25 dependents are admitted directly to the hospital from the emergency room. In-network and
26 out-of-network deductibles and co-insurance percentages then apply.

27 (s) All eligible employees and/or their dependents enrolled in the PPO ~~or HMO~~ shall pay the
28 following for a thirty-day prescription drug supply at a participating pharmacy:

- 1 (1) ~~Five dollar (\$5.00)~~ Ten dollar (\$10.00) co-payment for all generic drugs.
- 2 (2) Thirty dollar (\$30.00) co-payment for all brand name drugs on the formulary list.
- 3 (3) Fifty dollar (\$50.00) co-payment for all non-formulary brand name drugs.
- 4 (4) Non-legend drugs may be covered at the ~~five dollar (\$5.00)~~ ten dollar (\$10.00) generic
5 co-payment level at the discretion of the plan.
- 6 (5) Twenty dollar (\$20.00) co-payment for all diabetic covered supplies.
- 7 (6) Mail order is mandatory for all maintenance drugs. There is no coverage for
8 maintenance drugs filled at retail pharmacy after the third fill.
- 9 (7) Co-payments for mail order maintenance drugs ~~is the same as~~ are two-times (2X)
10 retail but for a 90-day supply.
- 11 (8) The plan shall determine all management protocols.
- 12 (9) Co-payments for Retail Prescription are for a thirty day supply. Retail prescription
13 shall not exceed a thirty day supply.
- 14 ~~(t) All eligible employees and/or their dependents enrolled in the HMO shall be subject to a~~
15 ~~twenty dollar (\$20.00) office visit co-payment for all illness or injury related office visits,~~
16 ~~including chiropractic visits. The office visit co-payment shall not apply to preventative care, as~~
17 ~~determined by the plan.~~
- 18 ~~(u) All eligible employees and/or their dependents enrolled in the HMO shall pay a one hundred~~
19 ~~dollar (\$100.00) co-payment for each in-patient hospitalization.~~
- 20 ~~(v)~~ (t) All eligible employees and/or their dependents enrolled in the PPO and/or HMO shall pay
21 fifty (50) percent co-insurance on all durable medical equipment to a maximum of fifty dollars
22 (\$50.00) per appliance or piece of equipment.
- 23 ~~(w) All eligible employees and/or their dependents enrolled in the HMO shall pay a one hundred~~
24 ~~fifty dollar (\$150.00) emergency room co-payment (facility only) in-network or out-of-network.~~
25 ~~The co-payment shall be waived if the employee and/or their dependents are admitted to the~~
26 ~~hospital directly from the emergency room. Deductibles then apply.~~
- 27 ~~(x)~~ (u) In accordance with Wisconsin Act 218 that was passed by the State of Wisconsin in 2010,
28 mental health care for all eligible employees and/or their dependents shall be provided in the

1 same manner as regular health care as described in section 17.14(7). As such, all co-
2 payments, co-insurance, deductibles, and out-of-pocket maximums shall apply accordingly.

3 ~~(y)~~ (v) Each calendar year, the county shall pay a cash incentive of five hundred dollars (\$500.00)
4 per contract (single or family plan) to each eligible employee who elects to dis-enroll or not to
5 enroll in a PPO or ~~HMO~~. Any employee who is hired on and after January 1, and who would
6 be eligible to enroll in health insurance under the present county guidelines who chooses not
7 to enroll in a county health plan shall also receive five hundred dollars (\$500.00). Proof of
8 coverage in a non-Milwaukee County group health insurance plan must be provided in order to
9 qualify for the five hundred dollar (\$500.00) payment. Such proof shall consist of a current
10 health enrollment card.

11 (1) The five hundred dollars (\$500.00) shall be paid on an after-tax basis. When
12 administratively possible, the county may convert the five hundred dollar (\$500.00)
13 payment to a pre-tax credit which the employee may use as a credit towards any
14 employee benefit available within a flexible benefits plan.

15 (2) The five hundred dollar (\$500.00) payment shall be paid on an annual basis by payroll
16 check no later than April 1 of any given year to qualified employees on the county
17 payroll as of January 1. An employee who loses his/her non-county health insurance
18 coverage may elect to re-join the county health plan. ~~The employee would not be able~~
19 ~~to re-join an HMO until the next open enrollment period.~~ The five hundred dollar
20 (\$500.00) payment must be repaid in full to the county prior to coverage commencing.
21 Should an employee re-join a health plan he/she would not be eligible to opt out of the
22 plan in a subsequent calendar year.

23 ~~(z)~~ (w) The county shall implement a disease management program.

24 ~~(aa)~~ (x) The provisions of C.G.O 17.14(7) shall apply to all employees in the unclassified service of
25 Milwaukee County, except those in following title codes 83000, 83400, 83500, 83600, 83900,
26 85100, 85400, 85410, 85590, 85631, 85710.

27 ~~(bb)~~ (y) The provisions of C.G.O. 17.14(7) shall not apply to seasonal and hourly employees. An
28 hourly employe shall be considered to be one who does not work a uniform period of time
29 within each pay period and shall include an employe who works a uniform period of time of less
30 than twenty (20) hours per week.

31 ~~(ee)~~ (z) The provisions of 17.14(7) shall apply to employes on an unpaid leave of absence covered
32 by workers compensation.

1 ~~(dd)(aa) The county shall pay the full monthly cost of providing such coverage to retired members~~
2 ~~of the county retirement system with fifteen (15) or more years of creditable pension service as~~
3 ~~a county employe, to individuals who are retired members of the county retirement system who~~
4 ~~have at least seven and one-half (7½) years of creditable pension service as a county employe~~
5 ~~and have also retired after fifteen (15) or more years of service as a City of Milwaukee employe,~~
6 ~~to retired members of the county retirement system who became members due to a functional~~
7 ~~transfer from the City of Milwaukee and have a total of fifteen (15) or more years of creditable~~
8 ~~pension service, to retired former employes of United Regional Medical Services, Inc., who~~
9 ~~were employed by the county as of December 31, 1991, and who have fifteen (15) or more~~
10 ~~years of aggregate service with the County, United Regional Medical Services, Inc.,~~
11 ~~United/Dynacare LLC, and Froedtert Memorial Lutheran Hospital (Radiology Department) to~~
12 ~~retired employes with fifteen (15) or more years of service as a county employe in a teaching~~
13 ~~position, to beneficiaries of the foregoing employes who continue to receive benefits from the~~
14 ~~county retirement system after the death of such employe, and to persons receiving~~
15 ~~survivorship benefits under section 201.24 (6.4) of the county pension ordinance. The~~
16 ~~provisions of this subsection are considered a part of an employe's vested benefit contract as~~
17 ~~more fully set forth in 201.24 (5.91). Upon the death of any retiree, only those survivors eligible~~
18 ~~for health insurance benefits prior to such retiree's death shall retain continued eligibility in the~~
19 ~~county group health benefit program. Service as a county employe not to exceed six (6) months~~
20 ~~under an emergency appointment, if continuous, may be included in calculating the fifteen (15)~~
21 ~~years of creditable pension service.~~

22
23 Retired members of the county retirement system who were represented by the Federation of
24 Nurses & Health Professionals, Local 5001, AFT, AFL-CIO and non-represented members of
25 the employe retirement system who were Doyne employes when they voluntarily resigned their
26 employment between September 1, 1995 and December 31, 1995, at the time of, and in lieu of,
27 a layoff from county service as a direct result of the sale/lease of John L. Doyne Hospital and
28 employes of the School of Nursing who resign from county service, in lieu of being laid off due
29 to the closure of the School of Nursing, who possess more than ten (10) but less than fifteen
30 (15) years of creditable pension service credit may elect to file an appropriate application to
31 become eligible to enroll in the county group health benefit program and the county shall pay
32 the following fixed, not to exceed, below noted portion of the monthly cost of the benefit option
33 selected with the pensioner paying the balance of the monthly cost:

34
35 Creditable Pension Service Monthly County Payment:

36 Ten (10) or more years \$ 50.00

37 Eleven (11) or more years 125.00

1 Twelve (12) or more years 200.00
2 Thirteen (13) or more years 275.00
3 Fourteen (14) or more years 350.00
4

5 ~~The provisions of this section shall not apply to employees not represented by a collective~~
6 ~~bargaining unit who become members of the Milwaukee County Employees Retirement System~~
7 ~~on or after January 1, 1994. Employees not represented by a collective bargaining unit who~~
8 ~~become members of the Milwaukee County Employees Retirement System or after January 1,~~
9 ~~1994, may opt to continue in the county group health benefit program after retirement upon~~
10 ~~payment of the full monthly cost.~~

11 ~~(ee)~~(bb) Retired members of the county retirement system who are eligible for continuing their
12 health insurance benefits at county expense under the provision of this section shall be eligible
13 for reimbursement of the cost of their Medicare Part B premiums, as well as the Medicare Part
14 B premiums of their eligible spouse and dependents.

15 (1) The provisions of section ~~(ee)~~ (bb) shall not apply to members not represented by a
16 collective bargaining unit who retired and began receiving benefits from the Milwaukee
17 County Employees Retirement System after April 1, 2011, nor to members
18 represented by the American Federation of State, County and Municipal Employees,
19 the Association of Milwaukee County Attorneys, the Milwaukee Building and Trades
20 Council, the Technicians, Engineers, and Architects of Milwaukee County, and the
21 International Association of Machinists and Aerospace Workers who retired and began
22 receiving benefits from the Milwaukee County Employees Retirement System after
23 December 31, 2011, nor to members represented by the Federation of Nurses and
24 Health Professionals who retired and began receiving benefits from the Milwaukee
25 County Employees Retirement System after December 31, 2012. For members
26 represented by the Deputy Sheriffs Association and the Milwaukee County Firefighters
27 Association, the provisions of sections ~~(dd)~~ and ~~(ee)~~ (aa) and (bb) shall be applicable
28 in accordance with their respective labor contracts.

29 ~~(ff)~~ (cc) Retired members of the county retirement system with less than fifteen (15) years of
30 creditable pension service credit may, upon retirement, opt to continue their membership in the
31 county group health benefit program upon payment of the monthly cost. Upon the death of
32 such a pensioner, the beneficiary(s) may continue as a member of the group, providing they
33 pay the full monthly cost.

34 ~~(gg)~~ ~~The option to elect health maintenance organization (HMO) coverage shall apply to retired~~
35 ~~employees and other members of the county retirement system, as described in the provisions~~

1 of (a) and (c) above, except such participants must be participants in the county group health
2 benefit program and must reside in the appropriate HMO service area currently available to
3 employees. Administration of the provisions of this paragraph shall be in accordance with the
4 contracts between the county and the appropriate HMO.

5 ~~(hh)~~(dd) Effective January 1, 2012, the County Medicare coordination methodology will be "non-
6 duplication". Under this method, when Medicare is the primary health coverage, the benefit
7 paid by Milwaukee County's plan will be the difference between the benefit provided in section
8 17.14(7) and the amount paid by Medicare.

9 (ee) Effective January 1, 2012, employees who are not represented by a collective bargaining
10 unit or who are members of the American Federation of State, County and Municipal
11 Employees, the Association of Milwaukee County Attorneys, the Milwaukee Building and
12 Construction Trades Council, the International Association of Machinists and Aerospace
13 Workers, the Technicians, Engineers and Architects of Milwaukee County or the Federation of
14 Nurses and Health Professionals shall be subject to the provisions of section 17.14(7).

15 (ff) Effective January 1, 2012, employees who are members of the Milwaukee Deputy Sheriff's
16 Association or the Milwaukee County Fire Fighters' Association shall be subject to the
17 provisions of 17.14(7), with the exception of subsection (d) which shall be in accordance with
18 the provisions of the collective bargaining agreement.

19 ~~(g) Milwaukee County Group Health Benefit Program for actively employed members represented by~~
20 ~~AFSCME District Council 48. Changes to Section 17.14(8) shall become effective as soon as~~
21 ~~administratively possible following the earlier of the legal effective date of 2011 Wisconsin Act 10, or~~
22 ~~upon the legal effective date of a substantially similar state law that grants Milwaukee County the~~
23 ~~authority, in the same manner as 2011 Wisconsin Act 10, to take the following action.~~

24 ~~(a) Health and dental benefits shall be provided for in accordance with the terms and~~
25 ~~conditions of the current plan document and the group administrative agreement for the~~
26 ~~Milwaukee County Health Insurance Plan or under the terms and conditions of the insurance~~
27 ~~contracts of a Managed Care Organization (HMO) approved by the county.~~

28 ~~(b) All health care provided shall be subject to utilization review.~~

29 ~~(c) Eligible employees may choose health benefits for themselves and their dependents under~~
30 ~~a preferred provider organization (county health plan or PPO) or HMO approved by the~~
31 ~~county.~~

1 ~~(d) Eligible employees enrolled in the PPO or HMO shall pay a monthly amount toward the~~
2 ~~monthly cost of health insurance as described below:~~

3 ~~(1) Employees enrolled in the HMO comparable plan shall pay fifty dollars~~
4 ~~(\$50.00) per month toward the monthly cost of a single plan and one hundred~~
5 ~~dollars (\$100.00) per month toward the monthly cost of a family plan.~~

6 ~~(2) Employees enrolled in the PPO comparable plan shall pay ninety dollars~~
7 ~~(\$90.00) per month toward the monthly cost of a single plan and one hundred~~
8 ~~eighty dollars (\$180.00) per month toward the monthly cost of a family plan.~~

9 ~~(3) The appropriate payment shall be made through payroll deductions. When~~
10 ~~there are not enough net earnings to cover such a required contribution, and~~
11 ~~the employee remains eligible to participate in a health care plan, the~~
12 ~~employee must make the payment due within ten (10) working days of the pay~~
13 ~~date such a contribution would have been deducted. Failure to make such a~~
14 ~~payment will cause the insurance coverage to be canceled effective the first of~~
15 ~~the month for which the premium has not been paid.~~

16 ~~(4) The county shall deduct employees' contributions to health insurance on a~~
17 ~~pre-tax basis pursuant to a section 125 plan.~~

18 ~~(5) The county shall establish and administer flexible spending accounts (FSAs)~~
19 ~~for those employees who desire to pre-fund their health insurance costs as~~
20 ~~governed by IRS regulations. The county retains the right to select a third~~
21 ~~party administrator.~~

22 ~~(e) In the event an employe who has exhausted accumulated sick leave is placed on leave of~~
23 ~~absence without pay status on account of illness, the county shall continue to pay the monthly~~
24 ~~cost or premium for the PPO or HMO chosen by the employe and in force at the time leave of~~
25 ~~absence without pay status is requested, if any, less the employe contribution during such~~
26 ~~leave for a period not to exceed one (1) year. The one-year period of limitation shall begin to~~
27 ~~run on the first day of the month following that during which the leave of absence begins. An~~
28 ~~employe must return to work for a period of sixty (60) calendar days with no absences for~~
29 ~~illness related to the original illness in order for a new one-year limitation period to commence.~~

30 ~~(f) Where both husband and wife are employed by the county, either the husband or the wife~~
31 ~~shall be entitled to one (1) family plan. Further, if the husband elects to be the named insured,~~

1 the wife shall be a dependent under the husband's plan, or if the wife elects to be the named
2 insured, the husband shall be a dependent under the wife's plan. Should neither party make
3 an election the county reserves the right to enroll the less senior employee in the plan of the
4 more senior employee. Should one (1) spouse retire with health insurance coverage at no cost
5 to the retiree, the employed spouse shall continue as a dependent on the retiree's policy,
6 which shall be the dominant policy.

7 (g) Coverage of enrolled employees shall be in accordance with the monthly enrollment cycle
8 administered by the county.

9 (h) Eligible employees may continue to apply to change their health plan to one (1) of the
10 options available to employees on an annual basis. This open enrollment shall be held at a date
11 to be determined by the county and announced at least forty-five (45) days in advance.

12 (i) The county shall have the right to require employees to sign an authorization enabling non-
13 county employees to audit medical and dental records. Information obtained as a result of such
14 audits shall not be released to the county with employee names unless necessary for billing,
15 collection, or payment of claims.

16 (j) Amendments to the Public Health Service Act applies federal government (COBRA)
17 provisions regarding the continuation of health insurance to municipal health plans. Milwaukee
18 County, in complying with these provisions, shall collect the full premium from the insured, as
19 allowed by law, in order to provide the continued benefits.

20 (k) The county reserves the right to establish a network of providers. The network shall
21 consist of hospitals, physicians, and other health care providers selected by the county. The
22 county reserves the right to add, modify or delete any and all providers under the network.

23 (n) All eligible employees enrolled in the PPO shall have a deductible equal to the following:

24 (1) The in-network deductible shall be two hundred fifty dollars (\$250.00) per insured,
25 per calendar year; seven hundred fifty dollars (\$750.00) per family, per calendar year.

26 (2) The out-of-network deductible shall be five hundred dollars (\$500.00) per insured,
27 per calendar year; one thousand five hundred dollars (\$1,500.00) per family, per
28 calendar year.

1 ~~(o) All eligible employees and/or their dependents enrolled in the PPO shall be subject to a~~
2 ~~twenty-dollar (\$20.00) in-network office visit co-payment or a forty-dollar (\$40.00) out-of-~~
3 ~~network office visit for all illness or injury related office visits. The in-network office visit co-~~
4 ~~payment shall not apply to preventative care which includes prenatal, baby wellness, and~~
5 ~~physicals, as determined by the plan~~

6 ~~(p) All eligible employees and/or their dependents enrolled in the PPO shall be subject to a co-~~
7 ~~insurance co-payment after application of the deductible and/or office visit co-payment.~~

8 ~~(1) The in-network co-insurance co-payment shall be equal to ten (10) percent of all~~
9 ~~charges subject to the applicable out-of-pocket maximum.~~

10 ~~(2) The out-of-network co-insurance co-payment shall be equal to thirty (30) percent~~
11 ~~of all charges subject to the applicable out-of-pocket maximum.~~

12 ~~(q) All eligible employees enrolled in the PPO shall be subject to the following out-of-pocket~~
13 ~~expenses including any applicable deductible and percent co-payments to a calendar year~~
14 ~~maximum of:~~

15 ~~(1) Two thousand dollars (\$2,000.00) in-network under a single plan.~~

16 ~~(2) Three thousand five hundred dollars (\$3,500.00) in-network under a family plan.~~

17 ~~(3) Three thousand five hundred dollars (\$3,500.00) out-of-network under a single~~
18 ~~plan.~~

19 ~~(4) Six thousand dollars (\$6,000.00) out-of-network under a family plan.~~

20 ~~(5) Office visit co-payments are not limited and do not count toward the calendar year~~
21 ~~out-of-pocket maximum(s).~~

22 ~~(6) Charges that are over usual and customary do not count toward the calendar~~
23 ~~year out-of-pocket maximum(s).~~

24 ~~(7) Prescription drug co-payments do not count toward the calendar year out-of-~~
25 ~~poCKET maximum(s).~~

1 ~~(8) Other medical benefits not described in (q)(5), (6), and (7) shall be paid by the~~
2 ~~health plan at one hundred (100) percent after the calendar year out-of-pocket~~
3 ~~maximum(s) has been satisfied.~~

4 ~~(r) All eligible employees and/or their dependents enrolled in the PPO shall pay a one hundred~~
5 ~~dollar (\$100.00) emergency room co-payment in-network or out-of-network. The co-payment~~
6 ~~shall be waived if the employee and/or their dependents are admitted directly to the hospital~~
7 ~~from the emergency room. In-network and out-of-network deductibles and co-insurance~~
8 ~~percentages apply.~~

9 ~~(s) All eligible employees and/or their dependents enrolled in the PPO or HMO shall pay the~~
10 ~~following for a thirty (30) day prescription drug supply at a participating pharmacy:~~

11 ~~(1) Five dollar (\$5.00) co-payment for all generic drugs.~~

12 ~~(2) Twenty dollar (\$20.00) co-payment for all brand name drugs on the formulary list.~~

13 ~~(3) Forty dollar (\$40.00) co-payment for all non-formulary brand name drugs.~~

14 ~~(4) Non-legend drugs may be covered at the five dollar (\$5.00) generic co-payment~~
15 ~~level at the discretion of the plan.~~

16 ~~(5) The plan shall determine all management protocols.~~

17 ~~(t) All eligible employees and/or their dependents enrolled in the HMO shall be subject to a~~
18 ~~ten-dollar (\$10.00) office visit co-payment for all illness or injury related office visits. The office~~
19 ~~visit co-payment shall not apply to preventative care. The county and/or the plan shall~~
20 ~~determine preventative care.~~

21 ~~(u) All eligible employees and/or their dependents enrolled in the HMO shall pay a one~~
22 ~~hundred-dollar (\$100.00) co-payment for each in-patient hospitalization. There is a maximum~~
23 ~~of five (5) co-payments per person, per calendar year.~~

24 ~~(v) All eligible employees and/or their dependents enrolled in the HMO shall pay fifty (50)~~
25 ~~percent co-insurance on all durable medical equipment to a maximum of fifty dollars (\$50.00)~~
26 ~~per appliance or piece of equipment.~~

1 ~~(w) All eligible employees and/or their dependents enrolled in the HMO shall pay a one~~
2 ~~hundred dollar (\$100.00) emergency room co-payment (facility only). The co-payment shall be~~
3 ~~waived if the employee and/or their dependents are admitted to the hospital directly from the~~
4 ~~emergency room.~~

5 ~~(x) The health plan benefits for all eligible employees and/or their dependents for the in-patient~~
6 ~~and out-patient treatment of mental and nervous disorders, alcohol and other drug abuse~~
7 ~~(AODA) will be consistent with the mandates of the Federal mental health parity act.~~

8 ~~(y) Each calendar year, the county shall pay a cash incentive of five hundred dollars~~
9 ~~(\$500.00) per contract (single or family plan) to each eligible employee who elects to dis-enroll~~
10 ~~or not to enroll in a PPO or HMO. Any employee who is hired on and after January 1, and who~~
11 ~~would be eligible to enroll in health insurance under the present county guidelines who~~
12 ~~chooses not to enroll in a county health plan shall also receive five hundred dollars (\$500.00).~~
13 ~~Proof of coverage in a non-Milwaukee County group health insurance plan must be provided~~
14 ~~in order to qualify for the five hundred dollars (\$500.00) payment. Such proof shall consist of a~~
15 ~~current health enrollment card.~~

16 ~~(1) The five hundred dollars (\$500.00) shall be paid on an after tax basis. When~~
17 ~~administratively possible, the county may convert the five hundred dollars (\$500.00)~~
18 ~~payment to a pre-tax credit which the employee may use as a credit towards any~~
19 ~~employee benefit available within a flexible benefits plan.~~

20 ~~(2) The five hundred dollars (\$500.00) payment shall be paid on an annual basis by~~
21 ~~payroll check no later than April 1 of any given year to qualified employees on the~~
22 ~~county payroll as of January 1. An employee who loses his/her non-county health~~
23 ~~insurance coverage may elect to re-join the county health plan. The employee would~~
24 ~~not be able to re-join an HMO until the next open enrollment period. The five hundred~~
25 ~~dollars (\$500.00) payment must be repaid in full to the county prior to coverage~~
26 ~~commencing. Should an employee re-join a health plan he/she would not be eligible to~~
27 ~~opt out of the plan in a subsequent calendar year.~~

28 ~~(z) The provisions of C.G.O. 17.14(8) shall not apply to seasonal and hourly employees. An~~
29 ~~hourly employee shall be considered to be one who does not work a uniform period of time~~
30 ~~within each pay period and shall include an employee who works a uniform period of time of~~
31 ~~less than twenty (20) hours per week.~~

1 ~~(aa) The provisions of 17.14(8) shall apply to employes on an unpaid leave of absence~~
2 ~~covered by workers compensation.~~

3 ~~(9) Milwaukee County Group Health Benefit Program for actively employed and retired members~~
4 ~~represented by the Deputy Sheriffs Association and the Milwaukee County Firefighters Association.—~~
5 ~~Section 17.14(9) shall be effective for members of the Deputy Sheriffs Association and the Milwaukee~~
6 ~~County Firefighters Association as soon as administratively possible after July 28, 2011.~~

7 ~~(a) Health and dental benefits shall be provided for in accordance with the terms and~~
8 ~~conditions of the current plan document and the group administrative agreement for the~~
9 ~~Milwaukee County Health Insurance Plan or under the terms and conditions of the insurance~~
10 ~~contracts of a Managed Care Organization (HMO) approved by the county.~~

11 ~~(b) All health care provided shall be subject to utilization review.~~

12 ~~(c) Eligible employes may choose health benefits for themselves and their dependents under~~
13 ~~a preferred provider organization (county health plan or PPO) or HMO approved by the~~
14 ~~county.~~

15 ~~(d) In the event an employe who has exhausted accumulated sick leave is placed on leave of~~
16 ~~absence without pay status on account of illness, the county shall continue to pay the monthly~~
17 ~~cost or premium for the PPO or HMO chosen by the employe and in force at the time leave of~~
18 ~~absence without pay status is requested, if any, less the employe contribution during such~~
19 ~~leave for a period not to exceed one (1) year. The one-year period of limitation shall begin to~~
20 ~~run on the first day of the month following that during which the leave of absence begins. An~~
21 ~~employe must return to work for a period of sixty (60) calendar days with no absences for~~
22 ~~illness related to the original illness in order for a new one-year limitation period to commence.~~

23 ~~(e) Where both husband and wife are employed by the county, either the husband or the wife~~
24 ~~shall be entitled to one (1) family plan. Further, if the husband elects to be the named insured,~~
25 ~~the wife shall be a dependent under the husband's plan, or if the wife elects to be the named~~
26 ~~insured, the husband shall be a dependent under the wife's plan. Should neither party make~~
27 ~~an election the county reserves the right to enroll the less senior employe in the plan of the~~
28 ~~more senior employe. Should one (1) spouse retire with health insurance coverage at no cost~~
29 ~~to the retiree, the employed spouse shall continue as a dependent on the retiree's policy,~~
30 ~~which shall be the dominant policy.~~

1 ~~(f) Coverage of enrolled employees shall be in accordance with the monthly enrollment cycle~~
2 ~~administered by the county.~~

3 ~~(g) Eligible employees may continue to apply to change their health plan to one (1) of the~~
4 ~~options available to employees on an annual basis. This open enrollment shall be held at a date~~
5 ~~to be determined by the county and announced at least forty-five (45) days in advance.~~

6 ~~(h) The county shall have the right to require employees to sign an authorization enabling non-~~
7 ~~county employees to audit medical and dental records. Information obtained as a result of such~~
8 ~~audits shall not be released to the county with employee names unless necessary for billing,~~
9 ~~collection, or payment of claims.~~

10 ~~(i) Amendments to the Public Health Service Act applies federal government (COBRA)~~
11 ~~provisions regarding the continuation of health insurance to municipal health plans. Milwaukee~~
12 ~~County, in complying with these provisions, shall collect the full premium from the insured, as~~
13 ~~allowed by law, in order to provide the continued benefits.~~

14 ~~(j) The county reserves the right to establish a network of providers. The network shall~~
15 ~~consist of hospitals, physicians, and other health care providers selected by the county. The~~
16 ~~county reserves the right to add, modify or delete any and all providers under the network.~~

17 ~~(k) All eligible employees enrolled in the PPO shall have a deductible equal to the following:~~

18 ~~(1) The in-network deductible shall be two hundred fifty dollars (\$250.00) per insured,~~
19 ~~per calendar year; seven hundred fifty dollars (\$750.00) per family, per calendar year.~~

20 ~~(2) The out-of-network deductible shall be five hundred dollars (\$500.00) per insured,~~
21 ~~per calendar year; one thousand five hundred dollars (\$1,500.00) per family, per~~
22 ~~calendar year.~~

23 ~~(l) All eligible employees and/or their dependents enrolled in the PPO shall be subject to a~~
24 ~~twenty dollar (\$20.00) in-network office visit co-payment or a forty dollar (\$40.00) out-of-~~
25 ~~network office visit for all illness or injury related office visits. The in-network office visit co-~~
26 ~~payment shall not apply to preventative care which includes prenatal, baby wellness, and~~
27 ~~physicals, as determined by the plan~~

28 ~~(m) All eligible employees and/or their dependents enrolled in the PPO shall be subject to a~~
29 ~~co-insurance co-payment after application of the deductible and/or office visit co-payment.~~

1 ~~(1) The in-network co-insurance co-payment shall be equal to ten (10) percent of all~~
2 ~~charges subject to the applicable out-of-pocket maximum.~~

3 ~~(2) The out-of-network co-insurance co-payment shall be equal to thirty (30) percent~~
4 ~~of all charges subject to the applicable out-of-pocket maximum.~~

5 ~~(n) All eligible employees enrolled in the PPO shall be subject to the following out-of-pocket~~
6 ~~expenses including any applicable deductible and percent co-payments to a calendar year~~
7 ~~maximum of:~~

8 ~~(1) Two thousand dollars (\$2,000.00) in-network under a single plan.~~

9 ~~(2) Three thousand five hundred dollars (\$3,500.00) in-network under a family plan.~~

10 ~~(3) Three thousand five hundred dollars (\$3,500.00) out-of-network under a single~~
11 ~~plan.~~

12 ~~(4) Six thousand dollars (\$6,000.00) out-of-network under a family plan.~~

13 ~~(5) Office visit co-payments are not limited and do not count toward the calendar year~~
14 ~~out-of-pocket maximum(s).~~

15 ~~(6) Charges that are over usual and customary do not count toward the calendar~~
16 ~~year out-of-pocket maximum(s).~~

17 ~~(7) Prescription drug co-payments do not count toward the calendar year out-of-~~
18 ~~-pocket maximum(s).~~

19 ~~(8) Other medical benefits not described in (q)(5), (6), and (7) shall be paid by the~~
20 ~~health plan at one hundred (100) percent after the calendar year out-of-pocket~~
21 ~~maximum(s) has been satisfied.~~

22 ~~(e) All eligible employees and/or their dependents enrolled in the PPO shall pay a one~~
23 ~~hundred dollar (\$100.00) emergency room co-payment in-network or out-of-network. The co-~~
24 ~~payment shall be waived if the employee and/or their dependents are admitted directly to the~~
25 ~~hospital from the emergency room. In-network and out-of-network deductibles and co-~~
26 ~~insurance percentages apply.~~

1 ~~(p) All eligible employees and/or their dependents enrolled in the PPO or HMO shall pay the~~
2 ~~following for a thirty (30) day prescription drug supply at a participating pharmacy:~~

3 ~~(1) Five dollar (\$5.00) co-payment for all generic drugs.~~

4 ~~(2) Twenty dollar (\$20.00) co-payment for all brand-name drugs on the formulary list.~~

5 ~~(3) Forty dollar (\$40.00) co-payment for all non-formulary brand-name drugs.~~

6 ~~(4) Non-legend drugs may be covered at the five-dollar (\$5.00) generic co-payment~~
7 ~~level at the discretion of the plan.~~

8 ~~(5) The plan shall determine all management protocols.~~

9 ~~(q) All eligible employees and/or their dependents enrolled in the HMO shall be subject to a~~
10 ~~ten-dollar (\$10.00) office visit co-payment for all illness or injury related office visits. The office~~
11 ~~visit co-payment shall not apply to preventative care. The county and/or the plan shall~~
12 ~~determine preventative care.~~

13 ~~(r) All eligible employees and/or their dependents enrolled in the HMO shall pay a one-~~
14 ~~hundred-dollar (\$100.00) co-payment for each in-patient hospitalization. There is a maximum~~
15 ~~of five (5) co-payments per person, per calendar year.~~

16 ~~(s) All eligible employees and/or their dependents enrolled in the HMO shall pay fifty (50)~~
17 ~~percent co-insurance on all durable medical equipment to a maximum of fifty dollars (\$50.00)~~
18 ~~per appliance or piece of equipment.~~

19 ~~(t) All eligible employees and/or their dependents enrolled in the HMO shall pay a one hundred~~
20 ~~dollar (\$100.00) emergency room co-payment (facility only). The co-payment shall be waived if~~
21 ~~the employee and/or their dependents are admitted to the hospital directly from the emergency~~
22 ~~room.~~

23 ~~(u) The health plan benefits for all eligible employees and/or their dependents for the in-patient~~
24 ~~and out-patient treatment of mental and nervous disorders, alcohol and other drug abuse~~
25 ~~(AODA) will be consistent with the mandates of the Federal mental health parity act.~~

26 ~~(v) Each calendar year, the county shall pay a cash incentive of five hundred dollars~~
27 ~~(\$500.00) per contract (single or family plan) to each eligible employee who elects to dis-enroll~~

1 ~~or not to enroll in a PPO or HMO. Any employee who is hired on and after January 1, and who~~
2 ~~would be eligible to enroll in health insurance under the present county guidelines who~~
3 ~~chooses not to enroll in a county health plan shall also receive five hundred dollars (\$500.00).~~
4 ~~Proof of coverage in a non-Milwaukee County group health insurance plan must be provided~~
5 ~~in order to qualify for the five hundred dollars (\$500.00) payment. Such proof shall consist of a~~
6 ~~current health enrollment card.~~

7 ~~(1) The five hundred dollars (\$500.00) shall be paid on an after tax basis. When~~
8 ~~administratively possible, the county may convert the five hundred dollars (\$500.00)~~
9 ~~payment to a pre-tax credit which the employee may use as a credit towards any~~
10 ~~employee benefit available within a flexible benefits plan.~~

11 ~~(2) The five hundred dollars (\$500.00) payment shall be paid on an annual basis by~~
12 ~~payroll check no later than April 1 of any given year to qualified employees on the~~
13 ~~county payroll as of January 1. An employee who loses his/her non-county health~~
14 ~~insurance coverage may elect to re-join the county health plan. The employee would~~
15 ~~not be able to re-join an HMO until the next open enrollment period. The five hundred~~
16 ~~dollars (\$500.00) payment must be repaid in full to the county prior to coverage~~
17 ~~commencing. Should an employee re-join a health plan he/she would not be eligible to~~
18 ~~opt out of the plan in a subsequent calendar year.~~

19 ~~(w) The provisions of C.G.O. 17.14(8) shall not apply to seasonal and hourly employees. An~~
20 ~~hourly employee shall be considered to be one who does not work a uniform period of time~~
21 ~~within each pay period and shall include an employee who works a uniform period of time of~~
22 ~~less than twenty (20) hours per week.~~

23 ~~(x) The provisions of 17.14(8) shall apply to employees on an unpaid leave of absence~~
24 ~~covered by workers compensation.~~

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 11/22/11

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Request to amend Chapter 17 of the Milwaukee County Code of General Ordinances as it pertains to employee wages and healthcare benefits based on the provisions of the 2012 Adopted Budget and to codify certain benefits of represented employees

FISCAL EFFECT:

- | | |
|--------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input checked="" type="checkbox"/> Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input checked="" type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost		
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. The 2012 Adopted Budget includes wage and benefit modifications. These revisions include a freeze on step advancements, plan design changes affecting all employees and retirees enrolled in the County medical plan, County Flexible Spending Account (FSA) contributions for employees meeting certain criteria, increased healthcare premiums for active employees, and Medicare coordination changes.

Additionally, with the changes to collective bargaining under Wisconsin 2011 Act 10, it is recommended that the eligibility criteria for County paid retirement healthcare be codified into ordinance for all employees.

The proposed changes are required to effectuate the wage and benefit modifications adopted as part of the 2012 Budget and to codify the eligibility criteria for County paid retirement healthcare.

- B. The 2012 Adopted Budget for base healthcare expenditures was reduced by a total of \$23.0 million for healthcare plan design changes (including plan design, Medicare coordination, and Flexible Spending Account (FSA) changes) and healthcare revenues were increased by \$1.5 million over the 2011 Adopted Budget for premium increases. These changes resulted in an estimated \$3,677,040 in reduced revenue in departmental budgets, resulting in an estimated tax levy savings of \$20,836,562.

The figures below represent the fiscal impact of the changes to be effectuated by these ordinance amendments:

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

- \$20,688,237 in expenditure reductions are budgeted for the plan design changes. These savings were based on the anticipated 2012 healthcare base budget (or the necessary budget without any plan design changes). Savings were budgeted assuming that all active employees and all retirees would be enrolled in the 2012 healthcare plan design.
- \$5,709,841 in expenditure reductions are budgeted for the Medicare coordination change.
- \$3,426,525 in additional expenditures is budgeted for the County contribution to eligible employees' Flexible Spending Account (FSA).
- \$1,542,050 in additional revenue was budgeted for increased premiums (to \$85/\$170). No additional revenue was budgeted for represented employees where increased premiums are dependent upon contract negotiations (e.g. Milwaukee County Firefighters Association and Deputy Sheriffs' Association).

An additional expenditure reduction of \$2.4 million for freezing step advancements was included in departmental budgets.

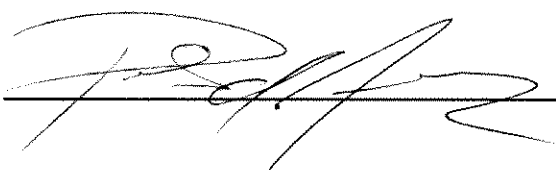
- \$2,433,694 in expenditure reductions is budgeted for the step freeze, including salary and social security. No savings were budgeted for represented employees where a freeze is dependent upon contract negotiations (e.g. Milwaukee County Firefighters Association and Deputy Sheriffs' Association). These changes result in an estimated \$365,054 in reduced revenue in departmental budgets, resulting in an estimated tax levy savings of \$2,068,640.

There is no fiscal impact for the recommended ordinance changes codifying the eligibility criteria for County paid retirement healthcare.

C. See above

D. These fiscal impacts assume a Countywide revenue offset of 15-percent. Plan design change savings are based on assumptions developed by the County's Healthcare Actuary and County Benefits Manager.

Department/Prepared By Cynthia J. Pahl

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No