



CITY OF WAUWATOSA
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EMPLOYEE RELATIONS COMMITTEE MEETING

Tuesday, July 13, 2010
Committee Room #2

PRESENT: Aids. Donegan, Berdan, Walsh, Organ – 4

EXCUSED: Ald. Ewerdt

ALSO PRESENT: J. Archambo, City Administrator; A. Kesner, City Atty.; B. Aldana, Human Resources Director, E. Miller-Carter, Asst. City Atty.; M. Loy, Health and Productivity Coordinator

Ald. Donegan as Chair called the meeting to order at 7:04 p.m.

Health Care benefits and other city provided benefits related to collective bargaining

Ms. Aldana said the information being presented is in response to a request that comparable information be provided regarding the city's employee health care and other benefit costs compared to other southeastern parts of the state.

Mr. Loy explained that the power point presentation is focused on health care benefits compared to southeastern Wisconsin. Mr. Loy said the two types of policies available are the Choice Plan and Choice Plus Plan. Single and family coverage is available to full-time employees.

There are different deductibles and co-pays dependent upon the plan chosen and whether or not an employee participates in the wellness program. Currently the city has 407 employees on the insurance plan. Mr. Loy noted that 75% of the employees are on the Choice Plus Plan; this may be driven by the fact that the police officers only have the option of the Choice Plus Plan. Individuals not in the wellness program pay approximately double in deductibles and bi-weekly cost sharing.

The cost of family coverage in the Choice Plan is \$16,538.64 annually. The city pays about 97.2% of the premium. The Choice Plus Plan annual rate is \$18,133.80. The city pays about 97.1% - 97.5% of the annual premium. Single coverage cost in the Choice Plan is \$6,609.36 annually. The city pays about 97.4% of the annual premium. The Choice Plus Plan is \$7,253.40 annually. The city pays about 97.1% - 97.7% of the premium. Ms. Aldana noted that the southeastern part of Wisconsin is one of the higher areas in the state to insure.

Comparable data was collected from employers of varying size and types. The analysis of the survey compares the City of Wauwatosa to all responders, employers with 100 – 499 employees, and government and education employers.

The committee discussed the survey results and noted that excluding government, less than 25% of the responders pay less than 97% of annual premiums. Almost 60% of the responders pay at least 24% of their premiums. The city employees pay about 2.5%. The comparable shows that the city is in the mid range for deductibles in the Choice Plus Plan. The city is a little higher in the Choice Plan. It was mentioned that there are limited amounts of services in the Choice Plan. Twenty per cent of responders have the same deductible level

the city has.

Prescription drug tiers were looked at. The city employees pay more in co-pays for Tier 1 drugs than others. In Tier 2 drug co-pays the city is less than some and more than the government and education comparable. Tier 3 drug co-pays are the same.

Mr. Loy advised that health care costs have decreased since 2007 when the city became self-insured. He noted that the short term projection for 2010 is a 7.9% decrease in claims from last year if the claims are about the same as in the first half of 2010.

Mr. Loy said that the short term projections for 2011 suggest that there will be an increase in both claims and administration costs. It was suggested by the claims administrator to expect about a 6% increase in premiums. This would be an increase of \$455,162 and discussions will take place to see how this will be paid for. Suggested options include general levy, employee contributions, plan changes/administration changes, changes to the health/life reserve. Negotiable points are employee contributions and plan changes.

Tobacco-free campus policy

The committee reviewed a memo from the Health and Productivity Coordinator regarding whether to implement a Tobacco Free Campus policy for City employees. Ms. Aldana said that this is a proposed administrative policy for city employees. The statewide smoking ban went into effect July 5, 2010. The city would like to have a broader tobacco free policy on city premises. Employees would only be allowed to use tobacco products in their own vehicles.

Ms. Miller-Carter said that the new law gives the city the ability to regulate smoking on its jurisdiction. This policy pertains just to employees. Ms. Aldana said what is being proposed for employees may lead to a broader discussion. It was estimated that about 30% of the city employees use some type of tobacco product.

Ald. Walsh encouraged the city to put the strongest enforcement in the policy as possible. This would be in the right direction to encourage all employees to not smoke since we are all paying for their health insurance. Mr. Loy advised that smoking cessation programs will be available.

Ms. Aldana said there is ongoing enforcement of employees in city vehicles using tobacco products.

Ald. Berdan said she is not in favor of over-regulating, but was in favor of encouraging employees to use the cessation programs available.

Mr. Kesner advised that since this will be an administrative policy the administration is seeking the advice of the committee. If you want to stop all smoking on city grounds you could chose to do this. Mr. Archambo said he would like the opinions of the committee on how to proceed.

It was decided to continue this discussion in a future meeting.

The meeting adjourned at 8:05 p.m.

Carla A. Ledesma, City Clerk
City of Wauwatosa

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