



**CITY OF WAUWATOSA**  
7725 WEST NORTH AVENUE  
WAUWATOSA, WISCONSIN 53213  
Telephone: (414) 479-8917  
Fax: (414) 479-8989  
Web Site: www.wauwatosa.net

## **EMPLOYEE RELATIONS COMMITTEE MEETING**

Tuesday, May 26, 2009

Council Chambers

PRESENT: Alds. Donegan, Ewerdt, Walsh, Krol, Berdan – 5

ALSO PRESENT: J. Archambo, City Admin.; B. Aldana, Asst. City Atty./HR Dir.;  
M. Loy, Health & Productivity Coordinator

Ald. Donegan as Chair called the meeting to order at 7:02 p.m.

### **Proposed ordinance amending Section 2.59 of the city code reclassifying the Deputy Treasurer position (for adoption)**

The committee reviewed the minutes from the previous meeting. Ms. Aldana had no additional comments.

Moved by Ald. Ewerdt, seconded by Ald. Krol to recommend adoption of an ordinance amending section 2.59 of the Municipal Code to reclassify the deputy treasurer position to grade 9 and name the position Treasurer's Office Business Supervisor -

Ald. Krol said he feels the restructuring of this position has merit and will respect staff's recommendation on this. He said as we go into the budget process anything we can do to better utilize our staffing will help and felt this is a positive step.

Ald. Meaux said he feels the committee should hold off on this a month or two as there will be some tough decisions to be made in the upcoming months during the budget process. He felt that this is the time to take advantage of a budget opportunity. His recommendation is to reclassify the position, but possibly hold off on filing the position at this time.

Mr. Archambo noted that it is the city's recommendation to fill this position. It was felt that it would be a detriment to the finance director and staff to go into the budget process without this position filled.

Vote on the motion was taken - Ayes: 5

### **Update regarding health insurance and wellness program**

Ms. Aldana noted that this presentation is a continuation from the March meeting which mostly covered health insurance. Most of the new information presented will be on the wellness program which Ms. Aldana said is a segue into cost strategies. Mr. Brett Smith, representative from E-Care was present to answer any questions.

Cost constraint strategies being used include: reducing retirement health insurance liability, promoting consumerism and the wellness program.

Ms. Aldana said the biggest strategy being taken to keep costs down is through the wellness program. The administrative costs have been tackled leaving the biggest cost driver the price paid for claims.

City contributions differ for general and protective employees. A Retirement Health Savings Account was created to be funded by sick leave conversion. The sick leave conversion slide was discussed which shows the distinction of protective and general employees hired before January 1, 2008 vs. those hired after. For those general employees hired before January 1, 2008, one-sixth of unused sick leave can be converted into the Retirement Health Savings Account, while the protective is one-third of unused sick leave.

Mr. Loy discussed how they are working on getting the employees engaged in the cost of healthcare. 93% of eligible employees are signed up for the wellness program which helps keep deductibles and out of pocket costs down. There has been a promotion of using Take Care Clinics which is about one-third of the cost of the emergency room. The One-half Tablet Program has been promoted whereas the employee can have their doctor write the prescription for twice the strength which are cut in half. They can receive a half year supply for a 90 day cost which has been effective. The \$4 pharmacy program is a benefit to the employee and the city.

Mr. Loy discussed the benefits expo that was recently held, where all of the city's benefit vendors were available to educate employees. Over 25% of the employees participated. The city is promoting wellness as the cost of healthcare is escalating and is a burden for taxpayers.

### **Firefighter's union pharmacy grievance arbitration**

Ms. Aldana reported that since the Committee considers employment related matters involving the City's bargaining units, updates are occasionally provided. This update is regarding a firefighter's pharmacy grievance. The grievance went to arbitration recently and a decision was made in favor of the union. The grievant sought 8 months supply of a medication to be dispensed at one time. The current contract language provides that the quantity of prescribed drugs available each time a prescription is filled which is the greater of 100 units or a 34 day supply. In this case, 100 units of this medication last approximately 8 months. The co-pay is \$25. The medication was prescribed in a quantity of 96 doses, the cost of which is approximately \$20,000 for the City. A single dose is \$193. The medication is taken three times a week, allowing a 96 dose prescription to last approximately eight months.

The City's Prescription Benefit Manager's (PBM) computer system identifies requests for prescription fills that are more than \$10,000 as a quality control measure. The PBM notified the City that it received a prescription fill request that exceeded this threshold. The PBM advised that with this particular medication is extremely expensive and has a high risk of waste.

Following the PBM's advice, the City concurred that the medication should be dispensed in 30 day increments, minimizing the risk of waste. The City met with the grievant to make arrangements to pick up the medication every 30 days. The grievant got frustrated with miscommunications between the City and the pharmacy.

The committee discussed the pharmacy grievance and Ald. Walsh asked what lessons were learned from this. Ms. Aldana said that the City would always explore some grounds of settlement, but noted that arbitration is unpredictable which is why it is hard to answer the question. When asked Ms. Aldana

advised that there were maybe 6 or 8 grievances filed in 2008. She reported that they are infrequent and maybe less in some years and most are handled internally. She told the committee that this issue was brought to them to give them a flavor on some issues at mid-contract. Ald. Walsh said it is disappointing that there is nothing that can be learned from this. Mr. Archambo noted that this is an example of the system working when talking of collective bargaining and you go through the process and the arbitrator picks one side.

Hank Wendt, president of Wauwatosa Professional Firefighter's Association said he felt it was important to give some background on this particular issue. He said the grievant's wife has been ill for a couple of years. Mr. Wendt said the problem with the prescription happened after the change to United Healthcare. The employee repeatedly went to the pharmacy to pick up the prescription and was turned down. He said they met with the City after going back and forth to the pharmacy. Mr. Wendt said it is important to know that there have been problems in the transition with United Healthcare and is a concern with the fire department. He said an effort was made to come up with a compromise.

### **Discussion of committee member requests for issues to be addressed by staff**

The committee discussed items they felt they would like to address in the future. It was determined that a motion was not necessary that any item the committee felt worthwhile could be addressed.

The committee asked that in the future the following ideas be put on the agenda for discussion: mayoral compensation and comparables; stronger smoking policy in relationship to the new wellness program; a review of positions in the city, including discussion on compensation, structure and benefits with comparables, and a strategy for productivity improvement.

The meeting adjourned at 8:08 p.m.

Carla A. Ledesma, City Clerk  
City of Wauwatosa

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