



## POLICIES AND PROCEDURES MANUAL

SUBJECT Health and Dental Insurance – Legacy Package	DEPARTMENT Human Resources	DEPARTMENT IDENTIFICATION 1400		
	SECTION 1413	PAGES 1 - <del>12</del> 42	EFFECTIVE DATE 1/1/82	REVISION DATE Common Council Adoption

- 1.0 PURPOSE:** To describe the policies and procedures of the City of West Allis in regard to health and dental insurance programs.
- 2.0 ORGANIZATIONS AND PERSONS AFFECTED:**  
 This policy applies to all City of West Allis departments, boards, commissions, employees holding a minimum of a 0.5 full-time equivalent (FTE) budgeted position (except rehired City of West Allis retirees who are not eligible to participate in the City's active employee health and dental insurance programs), and Elected Officials.
- 3.0 POLICY:**  
 It is the policy of the City to provide health and dental insurance coverage for its active employees holding a minimum of a 0.5 FTE budgeted position (except rehired City of West Allis retirees who are not eligible to participate in the City's active employee health and dental insurance programs), and Elected Officials. The City's health and dental insurance programs offer coverage to said qualified employees and their dependents.
- 4.0 REFERENCES:**  
 City of West Allis Revised Municipal Code Sections 2.76(12) and (14)  
 City of West Allis Policies and Procedures Manual, Policy 1420 – Military Leave  
 City of West Allis Policies and Procedures Manual, Policy 1458 – Health Insurance Bill Review and Award Program  
 City of West Allis Policies and Procedures Manual, Policy 1472 - HIPAA Privacy Rules  
 City of West Allis Policies and Procedures Manual, Policy 1483 – Voluntary Benefit Programs  
 Protective Service Collective Bargaining Agreements
- 5.0 PROCEDURES:**
- (1) COBRA: Under Federal law, if group health and/or dental benefits end due to a “qualifying event”, a participating plan member may elect coverage under the plan provided they are not: (a) entitled to Medicare or (b) covered under another group plan (Medicaid/Title19 included) that does not have a pre-existing exclusion or limitation affecting them. The individual has the right to elect coverage under the plan for up to 18, 29 or 36 months depending on the qualifying event. The Human Resources Department is responsible for administering COBRA benefits.
  - (2) Privacy Rules (Health Insurance Portability and Accountability Act [HIPAA]; Protected Health Information [PHI]). Privacy Rules require the City of West Allis, as a group health plan, a health care provider and a plan sponsor with access to protected health information, to comply with various administrative requirements contained within the Privacy Rules. City Policy 1472 addresses compliance with the administrative requirements mandated by the Privacy Rules.
- 6.0 DENTAL INSURANCE - GENERAL POLICIES:**
- (1) Initial Eligibility and Effective Date of Coverage. Employees become eligible for Dental Insurance on the first day of the month following completion of six (6) months of service.
  - (2) Enrollment/Change of Status.
    - (a) Enrollment. An employee who chooses to participate in the City's Dental Insurance shall enroll upon their initial eligibility and/or during the City's annual Health/Dental/Section 125 Open Enrollment. Enrollment at any other time is permitted within 30 days of a change in City employment status or due to a hardship (i.e. loss of other coverage).

- (b) Change of Status. Any change in status (e.g., marriage, birth or adoption of a child, military reinstatement, dependent eligibility reinstatement, etc.) is effective upon the date of the qualifying event if notification and proper paperwork are received by the Human Resources Department within 30 days of the event.
- (3) Monthly Premium Share. The City pays the monthly premium share on behalf of a full-time employee (1.0 FTE), an Alderperson, the City Attorney, Mayor, and the Municipal Judge; a part-time employee is prorated based on FTE. Said premiums may qualify under the City's Section 125: Flexible Spending Program (see Policy 1483, Voluntary Benefit Programs).
- (4) Benefits. The City shall provide benefits as specified in the Summary Plan Document(s).
- (5) Termination of Coverage. Coverage ceases in accordance with the provisions contained in the Summary Plan Document(s). When applicable, continuation coverage (COBRA) will be offered.
- (6) Retirement. Dental Insurance coverage is not available upon retirement; however, dental COBRA coverage will be offered if applicable.
- (7) Family and Medical Leave Act (FMLA). Dental insurance coverage will be maintained for an employee while he/she is on FMLA leave in accordance with the provisions set forth in Section 12.0 of the City's FMLA Policy 1448.
- (8) One-Plan Per Family Rule. An employee or retiree who is married to another employee shall enroll in one plan.
- (9) Exceptions.
  - (a) Department Heads, with the approval of the HR Director, Finance Director/Comptroller/City Treasurer, and City Administrator, may make exceptions to the provisions contained herein for significant recruitment/hiring reasons. However, no exception to 6.6 will be permitted.
  - (b) The City Administrator may extend the 30 day reporting requirement in 6.2, Change of Status, to within 60 days of the event. Any request for a change of status beyond 60 days after the event shall be directed to the Common Council. The City Administrator and the Common Council may require the employee to pay any costs incurred by the City due to failure to report within 30 days of the event prior to allowing the change in status. The employee shall retroactively pay any premium share due prior to acceptance of the change in status.

**7.0 HEALTH INSURANCE - GENERAL POLICIES:**

Subrogation: In the event the City makes any payment of medical expenses pursuant to the terms of any health insurance program, the City shall be subrogated to all the employee's/insured's rights of recovery therefore against any third party or his/her insurer for such payment pursuant to Section 2.76(13) of the Revised Municipal Code.

Health Insurance Bill Review and Award Program. The City may establish a Health Insurance Bill Review and Award Program which will function in accordance with the provisions of City Policy #1458 – Health Insurance Bill Review and Award Program.

- (1) Active Employees.
  - (a) Initial Eligibility. Generally, a new employee may select coverage to be effective upon the first day of the month following 30 days of service.
  - (b) Enrollment/Change of Status.
    - 1. Enrollment. An employee who chooses to participate in the City's Health Insurance shall enroll upon their initial eligibility and/or during the City's annual Health/Dental/Section 125 Open Enrollment. Enrollment at any other time is permitted within 30 days of a change in City employment status or due to a hardship (i.e. loss of other coverage).
    - 2. Change of Status. Any change in status (e.g., marriage, birth or adoption of a child, military reinstatement, dependent eligibility reinstatement, etc.) is effective upon the date of the qualifying event if notification and proper paperwork are received by the Human Resources Department within 30 days of the event.
  - (c) Monthly Premium Share.
    - 1. Full-time Employee (1.0 FTE), Alderperson, City Attorney, Mayor, and Municipal Judge. The City pays the monthly health insurance premium less an employee's monthly premium share as set forth by the Common Council or according to any applicable collective bargaining agreement. Said premiums may qualify under the City's Section 125: Flexible Spending Program (see Policy 1483,

Voluntary Benefit Programs).

2. Part-time Employee (0.5 FTE or more). The City pays a prorated monthly health insurance premium based on FTE for a part-time employee and the employee pays the difference; in addition, a part-time employee is subject to paying a prorated amount of a full-time employee's monthly premium share. Said premiums may qualify under the City's Section 125: Flexible Spending Program (see Policy 1483, Voluntary Benefit Programs).
- (d) Benefits. The City shall provide benefits as specified in the Summary Plan Document(s).
- (e) Termination of Coverage. Coverage ceases in accordance with the provisions contained in the Summary Plan Document(s). When applicable, continuation coverage (COBRA) will be offered.
- (f) One Plan Per Family Rule. An employee or retiree who is married to another employee shall enroll in one plan.
- (g) Surviving Spouse of a Deceased Active Employee.
1. The City will provide health insurance coverage to the surviving spouse and eligible dependents of an active City employee who dies while in the service of the City, provided the employee has completed 10 or 15 full-time years<sup>1</sup> of service dependent upon date of hire (refer to Section 7.0 (2).a for qualification), under the following provisions:
    - a. For the surviving spouse and eligible dependents of a deceased active employee who has not attained retirement age per the State of Wisconsin's (WI) Department of Employee Trust Funds (ETF) – Wisconsin Retirement System's (WRS) Death Benefits regulations, the City will pay 50% of the monthly premium until the surviving spouse is employed by another employer providing health insurance coverage or remarries.
  2. In the event the surviving spouse is employed by another employer providing health insurance coverage, the City's health insurance obligation will permanently cease and continuation coverage (COBRA) will be offered.
    - a. If participation in COBRA coverage is elected within the required federal/State election period and becomes effective the first of the month following the employee's death, the City will pay 50% of the monthly COBRA premium for the surviving spouse and/or eligible dependent(s) for the first six (6) months of their COBRA coverage or until their COBRA coverage is cancelled, whichever date/event occurs first.
    - b. If election to participate in COBRA coverage is not made within the required federal/State election period, but the City makes benefits available, coverage shall become effective the first of the month following the employee's death and the surviving spouse and/or eligible dependent(s) are subject to paying the full monthly premium per COBRA regulations.
  3. In the event a surviving spouse remarries, the City's health insurance obligation will permanently cease and continuation coverage (COBRA) will be offered; the surviving spouse and/or eligible dependent(s) are subject to paying the full monthly premium per COBRA regulations.
  4. If the deceased employee was of retirement age per WI ETF-WRS's Death Benefits regulations and considered eligible to receive a WRS retirement annuity per ETF's requirements, the surviving spouse and eligible dependents would qualify for retiree health insurance benefits (refer to Section 7(2)).
- (h) Family and Medical Leave Act (FMLA). Group health insurance coverage will be maintained for an

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<sup>1</sup> A part-time employee's service shall be prorated based on the employee's averaged FTE actually worked over the last 10 or 15 years of service.

Calculation of years of service for an Alderperson or the Municipal Judge. If an Alderperson or the Municipal Judge dies while in office or is appointed to a different full-time position with the City and dies while in the service of the City, service as an Alderperson shall be credited for spousal benefits at the rate of one-half (1/2) year for each full year served; and, service as a Municipal Judge will be credited at the rate of three-fourths (3/4) year for each full year served.

For example: an individual serves four (4) years as an Alderperson and then 8.5 years as a full-time Accountant.

Alderperson (4 yrs. x .5)	= 2.0 years
Accountant	= <u>8.5 years</u>
Total Years of Service	= 10.5 years

employee while he/she is on FMLA leave in accordance with the provisions set forth in Section 11.0 of the City's FMLA Policy 1448.

- (i) Military Leave Benefit Continuation. Health insurance benefits shall be implemented in compliance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and any other applicable federal, state, or local laws. In addition to such, the City will provide continuation of health insurance benefits for an employee who is called up to active military service, his/her spouse, and any eligible dependents, beyond the forty-five (45) days, as if he/she were an active employee; for such continuation of health insurance benefits, the employee, spouse, and/or dependents will be required to pay the applicable monthly premium share in accordance with City policies and procedures.

Extended health insurance coverage shall continue during the entire period of active military service call up and shall cease upon the employee's failure to return to employment following release from active duty. Coordination of benefits shall occur with any military health insurance coverage, and any military or other federal health insurance benefits or services shall be primary.

- (j) Exceptions.
  1. Department Heads, with the approval of the HR Director, Finance Director/Comptroller/City Treasurer, and City Administrator, may make exceptions to the provisions contained herein for significant recruitment/hiring reasons.
  2. The City Administrator may extend the 30 day reporting requirement in 7(1)(b)2., Change of Status, to within 60 days of the event. Any request for a change of status beyond 60 days after the event shall be directed to the Common Council. The City Administrator and the Common Council may require the employee to pay any costs incurred by the City due to failure to report within 30 days of the event prior to allowing the change in status. The employee shall retroactively pay any premium share due prior to acceptance of the change in status.

(2) RETIRED EMPLOYEES

Legend:

<b>Group A</b>	<b>AFSCME - Local 80 Public Works and Clerical Union (an employee classified as a union member prior to January 1, 2012)</b>
<b>Group B</b>	<b>Non-represented (including unrepresented protective service employee), Department Head (including City Attorney), &amp; Mayor</b>
<b>Group C</b>	<b>Aldersperson and Municipal Judge</b>
<b>Group D</b>	<b>West Allis Federation of Nurses (an employee classified as a union member prior to January 1, 2012)</b>
<b>Group E</b>	<b>Engineering Technician and Aides Association (an employee classified as a union member prior to January 1, 2012)</b>
<b>Group F</b>	<b>West Allis Professional Police Association hired prior to November 1, 2018</b>
<b>Group G</b>	<b>West Allis Professional Fire Fighter's Association hired prior to November 1, 2018</b>
<b><u>Group H</u></b>	<b><u>Employees who chose to convert to the Total Benefit Package effective January 1, 2019 (or as provided for in the Total Benefit Package Policy #1410, due to promotion from represented to non-represented position) retiree benefits and guidelines are provided for in the Total Benefit Package Policy #1410.</u></b>
<b><u>Group I</u></b>	<b><u>All Employees hired on or after November 1, 2018 – see section 7.0 (4).</u></b>

(a) Eligibility.

1. A retired employee is eligible for either a single (employee only), couple (employee plus spouse or employee plus one dependent), or family (employee plus spouse and one or more dependents OR employee plus two or more dependents) plan the first of the month following their date of retirement as approved by the WI ETF-WRS as long as the WRS retirement annuity (age limits dependent upon employee classification as defined by WRS) is effective upon the retirement date and he/she meets the following years of service<sup>2</sup> requirement:

<sup>2</sup> "Years of Service" is defined as current-continuous, regular full-time or part-time employment; prior City employment is not included in determining "years of service" unless granted an exception per Section 7.0 (1)(j)1. herein. For example, an employee worked for the City in a regular full-time position from 01/01/1990 to 12/31/1999 and then was re-employed in a regular full-time position on

- 10 years of regular full-time or part-time employment:
    - Groups A, B & F if hired prior to April 1, 2008
    - Group D if hired prior to July 1, 2008
    - Group E if hired prior to August 1, 2008
    - Group G if hired prior to February 1, 2009
  - 15 years of regular full-time or part-time employment:
    - Groups A, B & F if hired on or after April 1, 2008
    - Group D if hired on or after July 1, 2008
    - Group E if hired on or after August 1, 2008
    - Group G if hired on or after February 1, 2009
  - Group C:
    - If elected prior to April 1, 2008, must have completed a minimum of two (2), four year elected terms at the time of retirement;
    - If elected on or after April 1, 2008, must have completed 15 full years of service at the time of retirement.
2. For retirees in the groups identified below, the City will cease to provide health insurance to any covered member included in the retiree's plan upon that individual's Medicaid/Title 19/Medicare Parts A and/or B eligibility or upon attaining Medicare age; all other covered members shall remain participants in the City's retiree health insurance program until a subsequent qualifying event occurs that would otherwise terminate their coverage. (Note: for individuals hired prior to such dates identified below, if the retiree cancels coverage for themselves for any reason other than death or becoming eligible for Medicaid/Title 19, their spouse/eligible dependent(s) cannot remain on the City's retiree health insurance program.):
    - Groups A, B, & C if hired/elected on or after April 1, 2008
    - Group D & E if hired on or after March 1, 2012
    - Groups F & G if hired on or after March 1, 2016
  3. For retirees in the group identified below, upon an individual's (i.e. the retiree, spouse and/or dependent) eligibility for other health insurance coverage, the coverage with the City for that individual would cease. If the individual is the retiree, then coverage with the City for all members (i.e. the retiree, spouse and/or dependent) would cease. Upon loss of other insurance coverage, the individual (i.e. the retiree, spouse and/or dependent) may be eligible to re-enroll in the City's coverage provided they meet the eligibility requirements contained within this Policy and/or the City's insurance plan(s):
    - Group G if retired March 1, 2013 through February 29, 2016
  4. For retirees in the groups identified below –
    - If they retired as an employee plus one dependent couple plan, the retiree may add a new dependent if the original dependent is no longer on the plan, but the retiree may never add a spouse;
    - If they retired as an employee plus spouse couple plan, and the spouse deceases, the retiree may add a new spouse but never a dependent;
    - If they retired as an employee plus two or more dependents family plan, the retiree may add new dependents but never a spouse;
    - If they retired as an employee plus spouse and one or more dependents, the retiree may add a new spouse (if original spouse deceases) and new dependent(s):
      - a. Groups A, B, C, D & E if retired prior to March 1, 2012
      - b. Group F if retired prior to March 1, 2015
      - c. Group G if retired prior to March 1, 2016
  5. For retirees in the groups identified below –
    - A retiree with couple coverage (employee plus spouse) cannot add a new spouse or dependent if they divorce or if their spouse dies;

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01/01/2005 and worked through a retirement date of 12/31/2010. The employee's years of service would equal six (6) years (01/01/2005 to 12/31/2010) as the 01/01/1990 to 12/31/1999 employment would not be taken into consideration due to the break in service from 12/31/99 to 01/01/2005.

A retiree with couple coverage (employee plus dependent) cannot add a new dependent or a spouse if the original dependent is removed from coverage;

A retiree with family coverage is not able to add new family members (that is, if they have or adopt a child or remarry, the new child and/or spouse cannot be added):

- o Groups A, B, C, D & E if retired on or after March 1, 2012
- o Groups F if retired on or after March 1, 2015
- o Group G if retired on or after March 1, 2016

6. For retirees in the groups identified below –

If a retiring employee does not wish to participate in the retiree health insurance program at the time of retirement, they and their spouse/eligible dependent(s) permanently lose their ability to participate in the City's retiree health insurance program;

If a spouse/eligible dependent is removed from coverage, they permanently lose their ability to participate in the City's retiree health insurance program;

If a retiree cancels coverage at any time, for any reason, they and their spouse/eligible dependent(s) permanently lose their ability to participate in the City's retiree health insurance program:

- o Groups A, B, C, D & E if retired on or after March 1, 2012
- o Groups F & G if retired on or after March 1, 2016

- (b) Coverage. Based upon coverage in place at the time of retirement, a retiree will be placed in either a single (employee only), couple (employee plus spouse or employee plus one dependent), or family plan (employee plus spouse and one or more dependents OR employee plus two or more dependents). If an employee is not enrolled in coverage upon retirement, they will be provided the opportunity to enroll and will be subject to the rate caps in place for the lowest cost health plan offered by the City, if not enrolled in Medicare/Medicaid/Title 19. Note: if an employee declines coverage for a spouse and/or dependents at the time of retirement, a spouse and/or dependents may never be added to the retiree's health insurance program.

Changes are administered by the Human Resources Department in accordance with the above guidelines.

- (c) Enrollment. A retiree who chooses to participate in the City's retiree health insurance program shall enroll upon their initial eligibility and, thereafter, must re-enroll during the City's annual Health Insurance Open Enrollment.
- (d) Change of Status. A change in status is effective upon the date of the qualifying event (e.g., death of a spouse, remarriage of a deceased retiree's spouse, divorce, legal separation, Medicaid/Title 19/Medicare Parts A and/or B eligibility, attaining Medicare age, dependent no longer qualifies for health coverage, etc.) if notification and proper paperwork is received by the Human Resources Department within 30 days of the event. Qualifying changes are to be in accordance with City policy.

- (e) Monthly Premium Share.

Calculation of Monthly Premium Share

Prior to Eligibility for Medicaid/Title 19/Medicare Parts A and/or B or Attaining Medicare Age: Upon the date of retirement, the employee is placed at a "capped rate\*" (that is, the maximum amount the City will pay per month towards a retiree's health insurance premium) based on the plan and level of coverage (see 7.0(2)(b) above) in place at retirement if the employee is not on Medicaid/Title 19/Medicare Parts A and/or B or has not attained Medicare age. If the employee was not participating in the City's health insurance program prior to the offer of coverage at retirement, the employee shall be placed at a capped rate based on the lowest cost plan available and level of coverage for which they are enrolling at retirement. The City continues to pay this premium\* (less the applicable monthly premium share\* as set forth by the Common Council or union contract) until the retiree and/or their spouse/eligible dependent(s) become eligible for Medicaid/Title 19/Medicare Parts A and/or B or attain Medicare age; any increases above the "capped rate\*" are paid by the retiree. Any change in coverage (see 7.0(2)(b) above) will result in appropriate adjustments to the monthly "capped rate\*" and premium share\*.

1. Upon Eligibility for Medicaid/Title 19/Medicare Parts A and/or B or Attaining Medicare Age (administered per eligibility guidelines in Section 7.0(2)(a) above): Effective upon the first of the month a retiree or spouse or eligible dependent becomes eligible for Medicaid/Title 19/Medicare Parts A and/or B or attains Medicare age, the City's capped rate and the monthly premium share obligation ceases; the City will pay 50%\* of the applicable monthly premium for the City's Medicare supplemental plans provided by the City and the retiree will pay the other 50%\*.

If an individual, per the federal Medicare Program's regulations, does not qualify for Medicare Parts A and/or B upon attaining Medicare age or upon initial eligibility for Medicare Parts A and/or B, the City's premium obligation will be no greater than what it would have been had the individual qualified for Medicare Parts A and/or B. The individual will be subject to paying the difference between the applicable non-Medicare plan rate and the City's obligation.

\* A part-time employee's monthly premium and premium share obligation is prorated based on an employee's averaged FTE actually worked over the most recent 10 or 15 years prior to retirement, depending on eligibility requirements (see section 7.0(2)(a) above).

An annual premium rate notification is prepared by the City's Finance Department and is distributed during the City's annual Insurance Open Enrollment period for those retirees participating in the City's retiree health insurance program.

A retiree is required to participate in automatic withdrawal (ACH) of retiree insurance premiums from a savings or checking account, prepayment of an entire year of premium payments, or some other payment method that meets with the approval of the Finance Director/Comptroller/City Treasurer and City Attorney. Where not prepaid, payments are due by the 10th of the month for the following month's coverage and will be drawn from the respective bank account on the 10th of the month (or prior to such date if the 10th falls on a weekend or holiday). Failure to participate in an automatic withdrawal, prepay for an entire year, or make other mutually agreeable payment methods shall constitute grounds for sanctions under Section 9.0.

2. Protective Service Employees Only: Per the federal Pension Protection Act of 2006, a protective service employee may have health insurance premiums deducted directly from their Wisconsin Retirement System monthly annuity payment if he/she retired at normal retirement age. The Act contains a provision permitting eligible individuals to exclude up to \$3,000 for qualified health insurance premiums paid by the retiree from their gross taxable income each year, as long as the premiums are deducted from their retirement benefit.

(f) Benefits. The City shall provide benefits as specified in the Summary Plan Document(s).

1. Benefit levels for all classifications of employees who retire on or after March 1, 2013, will adjust automatically with active employee benefit levels.

~~1.2.~~ The City may choose to provide a Medicare Advantage or Medicare Supplement health care program to retirees in lieu of their participation in the City's self-funded plan.

(g) Termination of Coverage. Coverage ceases in accordance with the provisions contained in the Summary Plan Document(s). When applicable, continuation coverage (COBRA) will be offered (see section 5.0(1)). Health Insurance coverage may be available to the surviving spouse of a deceased retired employee (see Section 7.0(2)(h) below).

(h) Surviving Spouse and/or Dependents of Deceased Retired Employee. In addition to the provisions set forth in 7.0(2)(b) through 7.0(2)(g) above, the following provisions shall also apply to the surviving spouse and/or dependents of a deceased retired employee who was participating in the City's retiree health insurance program upon death:

1. In the event a surviving spouse remarries, the City's health insurance obligation will permanently cease for said spouse and dependents; continuation coverage (COBRA) may be offered.
2. In the event a surviving spouse of a retiree who was included in a group described below is employed by another employer providing health insurance coverage, the City's health insurance obligation will permanently cease for said spouse and dependents; continuation coverage (COBRA) may be offered:



- Groups A, B, C, D & E if retired on or after March 1, 2012
- Groups F & G if retired on or after March 1, 2016

3. In the event a surviving spouse of a retiree who was included in a group described below is employed by another employer providing 'more comprehensive or equivalent' health insurance coverage to that offered by the City, the City's health insurance obligation will permanently cease for said spouse and dependents; continuation coverage (COBRA) may be offered:

- Groups A, B, C, D & E if retired prior to March 1, 2012
- Group G\* if retired prior to March 1, 2013
- Group F if retired prior to March 1, 2016

\* For a represented Fire Department protective service employee (Group G) who retired March 1, 2013 to February 29, 2016, refer to Section 7(2)(a) above.

(k) Exceptions. The City Administrator may extend the 30 day reporting requirement in 7(1)(b)2., Change of Status, to within 60 days of the event. Any request for a change of status beyond 60 days after the event shall be directed to the Common Council. The City Administrator and the Common Council may require the employee to pay any costs incurred by the City due to failure to report within 30 days of the event prior to allowing the change in status. The employee shall retroactively pay any premium share due prior to acceptance of the change in status.

**(3) DISABILITY RETIREMENT**

**Legend:**

<b>Group A</b>	<b>AFSCME - Local 80 Public Works and Clerical Union (an employee classified as a union member prior to January 1, 2012)</b>
<b>Group B</b>	<b>Non-represented (including unrepresented protective service employee), Department Head (including City Attorney), &amp; Mayor</b>
<b>Group C</b>	<b>Alderperson and Municipal Judge</b>
<b>Group D</b>	<b>West Allis Federation of Nurses (an employee classified as a union member prior to January 1, 2012)</b>
<b>Group E</b>	<b>Engineering Technician and Aides Association (an employee classified as a union member prior to January 1, 2012)</b>
<b>Group F</b>	<b>West Allis Professional Police Association</b>
<b>Group G</b>	<b>West Allis Professional Fire Fighter's Association</b>

(a) An employee who qualifies for a disability retirement under the WI ETF-WRS and adheres to section 5.3.9 (Termination of Paid Sick Leave Benefits) of City Policy 1430 Sick Leave<sup>3</sup>, is eligible to participate in the City's retiree health insurance program in accordance with the policies set forth in 7(2) above with the following exceptions:

(a) Exception to 7(2)(e) Monthly Premium Share:

- For retirees in the groups identified below, effective the first of the month the retiree attains age 55 (50 for a protective service employee in the Fire service), the retiree is placed at a "capped rate\*" (that is, the maximum amount the City will pay per month towards a retiree's health insurance premium utilizing the highest applicable monthly premium) based on the level of coverage in place (see 7(2)(b) above) if the retiree is not on Medicaid/Title 19/Medicare Parts A and/or B or has not attained Medicare age. The City continues to pay this premium\* (less the applicable monthly premium share\* as determined by City Ordinance or union contract) until the retiree and/or their spouse/eligible dependent(s) become eligible for Medicaid/Title 19/Medicare Parts A and/or B or attain Medicare age; any increases above the "capped rate"\* are paid by the retiree. Any change in coverage (see 7(2)(b) above) will result in appropriate adjustments to the monthly "capped rate"\* and premium share\*:

<sup>3</sup> City Policy 1430 Sick Leave, 5.3.9 Termination of Paid Sick Leave Benefits. Ten (10) calendar days from the date a health care provider determines that an employee is permanently and totally disabled, or that the employee will never return to duty within the City of West Allis service, an employee will make application for disability retirement benefits under the State of Wisconsin's Department of Employee Trust Fund's (ETF) Wisconsin Retirement System (WRS), if he or she is otherwise eligible for such benefits. Ten (10) calendar days after the determination date of a disability by ETF, all benefits under this policy will cease and employment will simultaneously terminate, subject to existing rules regarding payment of benefits upon termination.



- Groups A, B, C, D & E if retired prior to March 1, 2012
  - Groups F & G if retired prior to March 1, 2016
- For retirees in the groups identified below, effective upon an employee's disability retirement date, the employee is placed at a "capped rate\*" (that is, the maximum amount the City will pay per month towards a retiree's health insurance premium) based on the plan and level of coverage (see 7(2)(b) above) in place at retirement if the employee is not on Medicaid/Title 19/Medicare Parts A and/or B or has not attained Medicare age. If the employee was not participating in the City's health insurance program prior to the offer of coverage at retirement, the employee shall be placed at a capped rate based on the lowest cost plan available and whichever level of coverage they enroll in at retirement. The City continues to pay this premium\* (less the applicable monthly premium share\* as determined by City Ordinance or union contract) until the retiree and/or their spouse/eligible dependent(s) become eligible for Medicaid/Title 19/Medicare Parts A and/or B or attain Medicare age; any increases above the "capped rate"\* are paid by the retiree. Any change in coverage (see 7(2)(b) above) will result in appropriate adjustments to the monthly "capped rate"\* and premium share\*:
    - Groups A, B, C, D & E if retired on or after March 1, 2012
    - Groups F & G if retired on or after March 1, 2016
- \* A part-time employee's monthly premium and premium share obligation is prorated based on an employee's averaged FTE actually worked over the most recent 10 or 15 years depending on eligibility requirements (see section 7(2)(a) above).

(b) Exception to 7(2)(a) Eligibility:

- The following are not subject to the minimum 10 or 15 year service requirement; a part-time employee's monthly premium and premium share obligation is prorated based on an employee's averaged FTE actually worked:
  - Groups A, B, C, D & E who retired prior to March 1, 2012
  - Groups F & G who retired prior to March 1, 2016

(4) Retiree Health Plan – Group I. (All Employees hired on or after November 1, 2018, are subject to the following regarding retiree health care):

(A) Eligibility. A retired employee is eligible for either a single (employee only), couple (employee plus spouse or employee plus one dependent), or family (employee plus spouse and one or more dependents OR employee plus two or more dependents) plan the first of the month following their date of retirement as approved by the WI ETF-WRS as long as the WRS retirement annuity (age limits dependent upon employee classification as defined by WRS) is effective upon the retirement date and he/she has 20 years of continuous employment with the City of West Allis.

(B) Duration. The City will cease to provide health insurance to any covered member included in the retiree's plan upon that individual's Medicaid/Title 19/Medicare Parts A and/or B eligibility or upon attaining Medicare age or upon reaching a maximum of ten (10) years of coverage following retirement, whichever event occurs first. Coverage with the City for that individual would cease.

(C) Coverage at time of and throughout Retirement.

1. A retiree will be placed in the same plan type they had in place at the time of retirement (single, couple, family); however, retirees may choose a single plan over a couple or family plan; or a couple plan over a family plan.
2. Addition of dependents or spouse during coverage prohibited.
  - a. A retiree with single coverage cannot change to any other type of coverage.
  - b. A retiree with couple coverage (employee plus spouse) cannot add a new spouse or dependent if they divorce or if their spouse dies; if this occurs, coverage will be adjusted to a single plan.
  - c. A retiree with couple coverage (employee plus dependent) cannot add a new dependent or a spouse if the original dependent is removed from coverage; coverage will be adjusted to a single plan in the event the couple coverage was for an employee plus dependent.
  - d. A retiree with family coverage is not able to add new family members (that is, if they have or adopt a child or remarry, the new child and/or spouse cannot be added); coverage will be adjusted to a couple plan once eligible dependents are no longer eligible.

(D) Continuous Participation Required.

1. If a retiring employee does not wish to participate in the retiree health insurance program at the time of retirement, they and their spouse/eligible dependent(s) permanently lose their ability to participate in the City's retiree health insurance program.
2. If a spouse/eligible dependent is removed from coverage, they permanently lose their ability to participate in the City's retiree health insurance program.
3. If a retiree cancels coverage at any time, for any reason, they and their spouse/eligible dependent(s) permanently lose their ability to participate in the City's retiree health insurance program.

(E) Timely Enrollment.

1. A retiree who chooses to participate in the City's retiree health insurance program shall enroll upon their initial eligibility and, thereafter, must re-enroll during the City's annual Health Insurance Open Enrollment.
2. Failure to timely enroll or re-enroll will result in loss of insurance coverage.

(F) Change of Status.

1. A change in status is effective upon the date of the qualifying event (e.g., eligibility for other health care coverage, death of a spouse, remarriage of a deceased retiree's spouse, divorce, legal separation, Medicaid/Title 19/Medicare Parts A and/or B eligibility, attaining Medicare age, dependent no longer qualifies for health coverage, etc.) if notification and proper paperwork is received by the Human Resources Department within 30 days of the event.
2. Qualifying changes are to be in accordance with City policy.
3. Failure to provide notification for change of status within 30 days of the event may result in a loss of coverage and/or reimbursement for premiums and services as applicable.

(G) Monthly Premium Share.

1. Retirees who had been hired on or after the original effective date of this policy:
  - a. Will pay a percentage of premium as established annually by the Common Council (the minimum percentage paid by the employee shall be 50%) or as negotiated by contract.
2. A part-time employee's monthly premium and premium share obligation upon retirement is prorated based on their averaged FTE actually worked over the most recent 20 years prior to retirement.

(H) Participation Administration.

1. An annual premium rate notification is prepared by the City's Finance Department and is distributed during the City's annual Insurance Open Enrollment period for those retirees participating in the City's retiree health insurance program.
2. A retiree is required to participate in automatic withdrawal (ACH) of retiree insurance premiums from a savings or checking account, prepayment of an entire year of premium payments, or some other payment method that meets with the approval of the Finance Director/Comptroller/City Treasurer and City Attorney. Where not prepaid, payments are due by the 10th of the month for the following month's coverage and will be drawn from the respective bank account on the 10th of the month (or prior to such date if the 10th falls on a weekend or holiday). Failure to participate in an automatic withdrawal, prepay for an entire year, or make other mutually agreeable payment methods shall constitute grounds for sanctions under Section 10.0.
3. Protective Service Employees Only- Per the federal Pension Protection Act of 2006, a protective service employee may have health insurance premiums deducted directly from their Wisconsin Retirement System monthly annuity payment if he/she retired at normal retirement age. The Act contains a provision permitting eligible individuals to exclude up to \$3,000 for qualified health insurance premiums paid by the retiree from their gross taxable income each year, as long as the premiums are deducted from their retirement benefit.

(I) Benefits.

Benefits provided under the plan are as specified in the Summary Plan Document(s) and may be adjusted annually or within the plan year as needed.

(J) Termination of Coverage.

Coverage ceases in accordance with the provisions contained in the Summary Plan Document(s). When applicable, continuation coverage (COBRA) will be offered (see Section 7.0(2)g).

(K) Surviving Spouse and/or Dependents of Deceased Retired Employee.

1. The following provisions shall apply to the surviving spouse and/or dependents of a deceased retired employee who was participating in the City's retiree health insurance program upon death: See section 7.0(2)h.

2. In the event a surviving spouse remarries, the City's health insurance obligation will permanently cease for said spouse and dependents; continuation coverage (COBRA) may be offered.
3. In the event a surviving spouse of a retiree is employed by another employer providing health insurance coverage, the City's health insurance obligation will permanently cease for said spouse and dependents; continuation coverage (COBRA) may be offered.

(L) Medicare Advantage or Medicare Supplemental Program, if offered.

1. Retirees and their eligible spouses may choose to participate bearing 100% of the premiums and costs.
2. Eligible Active employees and their eligible spouses may elect to forgo the active employee health plan and choose to participate in the Medicare Advantage or Medicare Supplemental Program bearing 100% of the premiums and costs.

8.0 EMPLOYEE BENEFIT COMMITTEE, EMPLOYEE BENEFIT ADVISORY AND WELLNESS COMMITTEE: In order to provide fiscally responsible administration of benefits and provide opportunity for employee input, the Employee Benefit Committee and Employee Benefit Advisory and Wellness Committee are established. Both Committees will operate cooperatively and under the direction of the City Administrator to ensure benefit and wellness planning maintains congruence with overall City operational and strategic plans and effective and efficient use of City resources.

- (1) Employee Benefit Committee. The City will establish an Employee Benefit Committee which will, in partnership with the City's Insurance Consultant, explore, review, develop and recommend (for Common Council action) best practice approaches, policies and procedures relating to employee benefits. The Committee will develop, execute and update a long term strategic plan for benefit and wellness programs.

(a) Employee Benefit Committee Members. Membership of the Employee Benefit Committee will include: 1) Alderperson appointed by the Common Council President, 2) Member of the Administration and Finance Committee appointed by the Chair, 3) City Administrator, 4) Human Resources Director, and 5) Finance Director. The City Attorney or designee, Deputy Finance Director, and Benefits and Wellness Coordinator will serve as resource staff for the Committee.

- (2) Employee Benefit Advisory and Wellness Committee. The City will establish an Employee Benefit Advisory and Wellness Committee which will: 1) function in an advisory capacity for the Employee Benefit Committee; and 2) strive to increase employee wellness and reduce health risks through awareness, education, support and outcomes- based wellness activities. The Committee will convene to provide input and feedback relating to employee benefit plans, offerings, long term planning and other assistance as maybe requested from the Employee Benefit Committee. The Committee will serve as a sounding board for initiatives and efforts underway and facilitate communication as requested among City employees. The Committee will develop goals and objectives consistent with the long term strategic plan for benefit and wellness programs and deliver programs which effectuate the goals and objectives. The Committee shall establish short and long term wellness plans (for Common Council action).

(a) Employee Benefit Advisory and Wellness Committee Members. Membership of the Employee Benefit Advisory and Wellness Committee will include: 1) City Administrator or designee, 2) Human Resources Director, 3) Benefits and Wellness Coordinator (chairperson), 4) Finance Director or designee, 5) Communications Director or designee, 6) Safety and Training Coordinator, 7) Health Department Employee\*, 8) Public Works Employee\*, 9) Library Employee\*, 10) Fire Department Employee\*, and 11) Police Department Employee\*.

*\*Appointed by respective Department Head and will serve two year terms.*

- (3) Criteria for Employee Benefit Committee, Employee Benefit Advisory and Wellness Committee Activities. Consideration of the following will guide the Committees' activities (listed by order of importance) 1) Fiduciary responsibility to the taxpayer, 2) Cost control, 3) Reduction of OPEB liability (other postemployment benefits), 4) Optimal member health, 5) Positive customer service experience, 6) Recruitment, retention, and uniformity of benefits amongst employee groups, 7) Offerings provided by similar organizations.

- (4) Employee Benefit Committee and Employee Benefit Advisory and Wellness Committee Members' Roles and Responsibilities. Committee members' roles and responsibilities shall include, but not be limited to: 1) Actively participate in Committee activities including meetings, 2) Ensure adherence to the criteria listed herein, 3) Respect the sensitivity and maintain confidentiality of information provided, 4) Act as a liaison between the Committee and employees, 5) Provide constructive feedback, 6) Support and implement (as applicable) Committee agreed upon recommendations and recommendations approved by the Common Council. Failure to

adhere to membership roles and responsibilities will result in removal from the Committee.

- 9.0 SANCTIONS: Anyone who provides false, fraudulent, incomplete or untimely information or who fails to make complete and timely premium payments, may face legal action, reductions or denials of benefits, loss of continuation rights, and/or other action, up to and including termination of coverage.