



## POLICIES AND PROCEDURES MANUAL

SUBJECT  Total Benefit Package	DEPARTMENT  Human Resources	DEPARTMENT IDENTIFICATION  1400		
	SECTION	PAGES	EFFECTIVE DATE(S)	REVISION DATE(S)
	1410	1 - 11	Common Council Adoption	

### 1.0 PURPOSE

To describe the policies and procedures of the City of West Allis in regard to the total benefit package for employees.

### 2.0 ORGANIZATIONS AND PERSONS AFFECTED

This policy applies to all City of West Allis departments, boards, commissions, regularly appointed employees and part-time appointed 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 ELIGIBILITY/EFFECTIVE DATE

- New Employees hired on and after the effective date above
- Existing Employees who have selected the Total Benefit Package by December 1, 2018; effective date January 1, 2019
- Elected Officials – Terms of elective office which commence in 2019/2020
- Members of the Police and Fire Department who change from sworn represented to sworn non-represented positions (selection of benefit package must take place within 60 days of appointment to non-represented position and will be effective on the date of the employee's appointment to the position)

### 4.0 POLICY

It is the policy of the City to provide benefits for its active employees holding a minimum of a 0.5 FTE budgeted position.

### 5.0 REFERENCES

City of West Allis Revised Municipal Code

- Section 2.76

City of West Allis Policies and Procedures

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| <ul style="list-style-type: none"> <li>• #1205 – Payroll and Time Records</li> <li>• #1412 - Holidays</li> <li>• #1413 – Health and Dental Insurance – Legacy Plan</li> <li>• #1417 – Jury Duty</li> <li>• #1420 – Military Leave</li> </ul> | <ul style="list-style-type: none"> <li>• #1448 – Family and Medical Leave Act</li> <li>• #1466 – Donation of Time</li> <li>• #1469 – Voluntary Time Off</li> <li>• #1472 - HIPAA Privacy Rules</li> <li>• #1483 – Voluntary Benefit Programs</li> </ul> |
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### 6.0 GOALS OF THE TOTAL BENEFIT PACKAGE

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| <ul style="list-style-type: none"> <li>• Competitive Advantage in Recruiting/Retention</li> <li>• Reduction of City's OPEB Liability</li> <li>• Mitigate health care costs increases to contribute to the long term financial sustainability for City's tax-payers</li> <li>• Meet needs of a diverse workforce</li> </ul> | <ul style="list-style-type: none"> <li>• Reward desired behavior (accountability) with extra time off (more equitable to those that come to work every day)</li> <li>• Does not challenge employees' integrity</li> <li>• Reduction of Sick Leave Abuse</li> <li>• Ease of Administration</li> </ul> |
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- Employer Scheduling/Predictability (reduce unscheduled absences)
- Employee Flexibility and Privacy
- Elimination of awkward City accrual system for time off (on books before earned/pay back if not fully earned/end of employment payout calculations)
- Employees more engaged at work since they can take off when needed for personal reasons

## 7.0 RESPONSIBILITIES

### (1) Mayor and Common Council.

- (A) Ensure funding within the City's limited resources and state-imposed expenditure requirements.

### (2) City Administrator, Human Resources and Finance Departments.

- (A) Ensure that the policy is administered consistent with policies, procedures, and applicable laws and guidelines.
- (B) Request appropriate funding.
- (C) Regularly make recommendations for changes and updates consistent with the goals of the total benefit package and the criteria for Employee Benefit Committee activities.
- (D) Communicate package details with employees and retirees as needed and if applicable.

### (3) Executive (Department Head), Deputy, Managerial and Supervisory employees.

- (A) Adhere to the guidelines provided in policy and procedure.
- (B) Provide feedback and recommendations for changes which may enhance the overall efficiency and effectiveness of the package and accomplishment of package goals.
- (C) Provide oversight and accountability for employees and their use of benefits provided to maintain service delivery and continuity of services at required and expected levels.

### (4) Employees.

- (A) Provide timely notification regarding use of benefits provided in this package as required.
- (B) Careful, judicious, and responsible use of benefits which does not adversely impact the City's obligation to maintain service delivery and continuity of services at required and expected levels.
- (C) Request all types of time off at least 48 hours in advance. Exceptions to advance notice may be made occasionally in the event service delivery and continuity of services is in no way affected and in the case of illness or emergency.

## 8.0 PROCEDURES

### (1) Time Off.

#### (A) Accrued Time Off.

1. The City of West Allis offers a time off package which requires employees to carefully, judiciously, and responsibly plan their time away from work and maximize the time spent at work.
2. Accrued time off may be used for vacation, personal time, illness or time off to care for others.
3. The use of time off, including any and all increments, is at the sole discretion of the Department Head.
4. Time off must be scheduled and approved by the Department Head or designee, in advance, except in the case of illness or emergency.
5. Time Off shall be taken in increments consistent with Policy #1205 – Payroll & Time Records.
6. Accrued time off does not cover holidays; holidays are credited separately.
7. Elected Officials are not eligible for accrued time off.
8. Time off is accrued by employees in paid status based on years of service (exceptions only in the case of employment contract, hiring agreement, employee recognition program, performance management system, and lateral benefit considerations), based on the following schedules:

a. Regular Full-Time Employees: Minimum of 2080 annual hours or 40 hours per week.

Years of Service	Hours Per Month/Max Days per Year	Time Off Bank Max
0-5 years	16.67 hours/25 days	200 hours/25 days
6-10 years	20.00 hours/30 days	240 hours/30 days
11-24 years	23.33 hours/35 days	280 hours/35 days
25 years and over	26.67 hours/40 days	320 hours/40 days

b. Part-Time Employees working 30-39 hours per week; 1560 to 2028 annual hours.

Years of Service	Hours Accrued Per Month/Max Days Accrued per Year	Time Off Bank Max
0-5 years	12.50 hours/18.75 days	150 hours/18.75 days
6-10 years	15.00 hours/22.5 days	180 hours/22.5 days
11-24 years	17.5 hours/26.25 days	210 hours/26.25 days
25 years and over	20.00 hours/30 days	240 hours/30 days

c. Part-Time Employees working 20-29 hours per week, 1040 to 1508 annual hours.

Years of Service	Hours Accrued Per Month/Max Days Accrued per Year	Time Off Bank Max
0-5 years	8.33 hours/12.5 days	100 hours/12.5 days
6-10 years	10.00 hours/15 days	120 hours/15 days
11-24 years	11.67 hours/17.5 days	140 hours/17.5 days
25 years and over	13.33 hours/20 days	160 hours/20 days

9. Time off used in any calendar year shall not exceed the maximum hours accrued and any given as part of monthly recognition, performance management program, or attendance incentive.
10. Time off may not be used to extend employment.
11. Accruals will be posted to an employee's time off bank the first pay period following the end of the month in which the time off was earned.
12. Employees must be either in paid status, utilizing their accrued time, funeral leave, compensation time, holiday, extended sick leave, or a combination of such for the entire month to receive the time off allocation.
13. Upon voluntary separation from employment, which has been given with proper notice (14 days for employees except as follows - 30 days for employees in deputy, managerial or supervisory positions; 60 days for department heads or as outlined in employment agreement) or death of employee, employees will be paid their accrued but unused time off up to the time off bank maximum.
14. In the case of involuntary separation, employees will not be paid out for their accrued but unused vacation.

(B) Extended Sick Leave Bank (ESLB).

An ESLB will be available for all employees with a balance of hours up to 720. Use of time in the ESLB shall be limited to FMLA eligible events for the employee and their family members subject to qualifications of Policy #1448 – FMLA Policy. Employees may choose to convert up to 200 hours annually from their time off bank into the ESLB subject to guidelines established by the Finance Director.

(C) Negative Balance in Time Off Bank.

Full-time employees may use up to 40 hours of time off in advance of accrual. In the event of employment termination, any negative balance will be deducted from the final paycheck.

(D) Lateral Service Credit.

New (or existing employees who choose to convert to the Total Benefit package,) with experience relevant to their position with the City may be placed in higher years of service bank which recognizes their previous relevant experience on a 2 for 1 basis with a 10 year maximum recognition. Decisions regarding relevant experience and the lateral service credit will be made by the Department Head, the Human Resources Director and the City Administrator. Employees given this credit will remain in this higher level until they work the requisite number of years to earn additional credit as outlined in the tables above.

- (E) Advanced Notice Required/Attendance Incentive.  
At least 48 hours' notice/request is required for employees to use time off except in the case of illness or injury. If an employee has two (2) or less unplanned absences in a calendar year, they will be eligible for eight (8) additional hours of time off for full-time employees and four (4) additional hours of time off for part-time employees holding a 0.5 FTE or greater budgeted position. . This additional time off must be used in the calendar year following the year it was earned. Attendance incentive time off is not paid out upon separation. Employees who have more than two (2) unplanned absences per calendar year may be subject to discipline.
- (F) Holidays.  
Holidays will be allocated consistent with Policy #1412 – Holidays. Except that no random holidays are given to employees who are part of the Total Benefit Package as these hours are included in their time off accrual.
- (G) Bereavement Leave.  
Paid Bereavement leave is provided for employees who are in paid status consistent with the following – Up to 10 days off for the death of a legally recognized spouse, child (adult or minor); Up to 5 days for the death of a brother, sister, mother, father; includes step and in law relationships for all listed relatives. Time off must be taken within six (6) months from date of death and documentation must be provided consistent with guidelines established by the Human Resources Director.
- (H) Jury Duty.  
Jury Duty may be taken consistent with Policy #1417 – Jury Duty.
- (I) Voluntary Unpaid Time Off.  
An employee may request voluntary time off consistent with Policy #1469 – Voluntary Time Off, except that the hours requested may not exceed 40 hours of unpaid time off per year and is subject to approval by the Human Resources Director, Finance Director, and City Administrator. All other applicable leave must be exhausted in order for the employee to be qualified for Voluntary Unpaid Time Off.
- (J) Armed Services Training and Military Leave.  
Leaves are taken consistent with Policy #1448 – Family and Medical Leave Act and #1420 – Military Leave.
- (K) Donation of Time Off.  
Donation of time off will be allocated consistent with Policy #1466 - Employee Transfer/Donation of Vacation and Random Holiday Time to Another Employee in Special Emergency Situations. Excepting the initial amount of time which may be transferred is 120 hours with an additional 40 hours subject to the approval of the City Administrator. Eligibility for additional time due to death is expanded to those relationships allowed under bereavement leave and extends for six (6) months from the date of death.
- (L) Existing Employees Conversion to Total Benefit Package.
  - 1. Vacation.
    - a. Employees who have a balance in their vacation bank shall have the hours placed in their time off bank.
    - b. Beginning January 1, 2019, all time off will accrue on a monthly basis.
    - c. Employees whose vacation was allocated on a calendar year basis shall receive their allocation in January 2019 or the month they convert to the Total Benefit Package.
    - d. Employees whose vacation was allocated at their anniversary shall receive their proration vacation in the time off bank during January 2019 or the month they convert to the Total Benefit Package.
    - e. For the first full three calendar years of existing employees' participation in the Total Benefit Package, they will be allowed to exceed the time off bank max balance but in no case may they use more time off in each calendar year than the max accrual based on their assigned years of service or in the case of voluntary separation no more than the max accrual per year shall be paid out.

2. Sick Leave.
  - a. Employees who previously accrued 15 days of sick leave per year.  
Employees who convert to the Total Benefit Package will have their unused sick leave hours placed in the Extended Sick Leave Bank (ESLB) up to 720 hours maximum. No credit or compensation will be given for hours in excess of 720 hours.
  - b. Employees with the Long Term Sick Leave Policy.  
Employees who convert to the Total Benefit Package will have 720 hours placed in the ESLB. Employees who have utilized time off in the past three years will have the hours initially credited reduced based on the following: Average hours used in last three years X.28; 720 – (average hours used X.28) = amount allocated to ESLB.
  - c. Employees who have previously been represented and are promoted to non-represented sworn protective service positions shall have their sick leave transferred consistent with this section.
  
3. Lateral Service Credit.
  - a. If a vacation adjustment had previously been given for relevant experience during an employee's tenure with the City of West Allis, no additional adjustment will be given and they shall be placed in the years of service which their adjustment provided them or in their current years of service with the additional time off allocated to them until their years of service with the City of West Allis matches the credit, and at such time, their time off will then accrue consistent with the tables above.
  
  - b. If applicable, employees who have previously been represented and are promoted to non-represented sworn protective service positions shall be provided a lateral service credit consistent with 8.0 (1) D above.

(2) Other Benefits.

(A) Long Term Disability Insurance.

1. Regular full-time and regular part-time employees holding a budgeted position of 0.5 FTE (full time equivalent) or greater, will be eligible for long-term disability insurance.
2. Coverage will be provided at 66 % of the employee's salary for non-work related injuries or illnesses after a ninety (90)-calendar day waiting period.
3. The carrier must deem employees eligible.
4. The City shall pay the full cost of the premium.
5. Long-term disability insurance is effective on the first of the month after ninety (90) (uninterrupted) calendar days of employment.

(B) Vision Insurance.

1. Group vision insurance may be made available to employees holding a budgeted position of 0.5 FTE (full time equivalent) or greater.
2. Employees may select from a plan from those made available.
3. Employees shall pay one hundred percent (100%) of the premium.

(C) Tuition Reimbursement.

1. An employee holding a budgeted position of 0.5 FTE (full time equivalent) or greater shall be eligible for the Tuition Reimbursement Program upon date of hire.
2. Employees must be in paid status during the time of attendance of the class for which they are receiving reimbursement and current employment performance must be at "performing" level to qualify for tuition reimbursement.
3. Eligible employees must remain employed for six (6) months following completion of the approved program. If an employee resigns, retires or is involuntarily terminated prior to six (6) months, the employee shall owe the City the amount of the tuition reimbursement monies paid. Money will be subtracted from the final paycheck if possible or otherwise collected from employee.
4. Qualified employees shall receive 50% reimbursement from the City, up to \$1500 per year, with a maximum lifetime benefit of \$4500 per employee. This amount is prorated based on budgeted FTE.
5. Reimbursement may be given for certificates, conferences, seminars, academic degrees involving subjects that will support the employee's development in their current or other positions with the City of West Allis.

6. Attendance in certificates, conferences, or seminars may occur during the employee's regular work hours subject to approval by the employee's Department Head.
7. Attendance in classes relating to the pursuit of an academic degree may in no case occur during the employee's regular work hours; however, hours may be adjusted if the operations of the department and employee's job allow.
8. Employees must receive advance approval from both their Department Head and the Human Resources Director utilizing the Tuition Reimbursement Request Form as designated by the Human Resources Department.
9. Additionally, reimbursement in the Tuition Reimbursement Program for certificate programs, conferences, or seminars is subject to funding availability and requires advanced approval by the City Administrator.
10. In the case of courses towards an academic degree, a grade of a "C" or equivalent is required. For other attendance, employees must provide documentation of successful completion of the course. All documentation must be submitted within 30 days of completion to be eligible for reimbursement. Reimbursement will not be provided for programs not successfully completed.
11. A Department Head may require an employee who receives Tuition Reimbursement to submit a report regarding the program for which the tuition reimbursement was received.
12. An employee must immediately notify their manager if the employee ceases to be enrolled in the program for which the tuition reimbursement was approved.
13. Tuition reimbursement does not apply to programs or training that are required by the City.
14. The City will not pay Tuition Reimbursement is are paid by other sources, such as scholarships, grants, veterans programs, U.S. Military Reserve, aid programs or other subsidies.
15. Requests for Tuition Reimbursement will be considered within the limitations of budgetary constraints of the City.

(D) Tuition Repayment.

1. Full-time employees who have student loans made, insured, or guaranteed under parts B, D, or E of Title IV of the Higher Education Act of 1965; or a health education assistance loan made or insured under Part A of Title VII of the Public Health Service Act, or under Part E of Title VIII of that Act, and the loans are not in deferment, staff will receive \$75 per month or \$900 per year with a \$2700 maximum benefit for employee.
2. Loans must have been taken for the employee's education only.
3. The Finance Department shall be responsible for the administration of the program and shall set guidelines for effective administration.
4. Availability of tuition repayment is contingent upon budgetary capacity, and existing employees shall take precedence over new employees.

(E) Other Voluntary Benefit Programs.

Other Voluntary Benefit Programs such as employee assistance, deferred compensation, savings bonds, and health savings accounts shall be administered consistent with Policy #1483 – Voluntary Benefit Programs.

(F) Life Insurance.

Life insurance shall be administered consistent with Policy #1411 – Life Insurance.

(G) Wisconsin Retirement System (WRS) Pension.

The City of West Allis participates in the Wisconsin Retirement System. Employees are eligible for participation in WRS consistent with WRS policies and contribution requirements.

(3) Health and Dental Insurance – Active Employees.

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. The City's health and dental insurance programs offer coverage to said qualified employees and their dependents.

- (A) 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/Title 19 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.

- (B) Privacy Rules (Health Insurance Portability and Accountability Act [HIPAA]; Protected Health Information [PHI]).
1. 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.
  2. Policy #1472 HIPAA Privacy Rules addresses compliance with the administrative requirements mandated by the Privacy Rules.
- (C) Initial Eligibility and Effective Date of Coverage.
1. Employees become eligible for Health and Dental Insurance on the first day of the month following 30 days of employment.
  2. 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 exceptions to the benefits provided to retirees will be permitted.
- (D) Enrollment.
1. An employee who chooses to participate in the City's Health or Dental Insurance Programs shall enroll upon their initial eligibility and/or during the City's annual Health/Dental/Section 125 Open Enrollment.
  2. 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).
- (E) Change of Status.
1. 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.
  2. The City Administrator may extend the 30-day reporting requirement to within 60 days of the event.
  3. Any request for a change of status beyond 60 days after the event shall be directed to the Common Council.
  4. 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.
  5. The employee shall retroactively pay any premium share due prior to acceptance of the change in status.
- (F) One-Plan Per Family Rule.  
An employee who is married to or another employee or retiree of the City shall enroll in one City-sponsored health and/or dental plan.
- (G) 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.
- (H) 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 Policy #1458 – Health Insurance Bill Review and Award Program.
- (H) 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.
- (I) Family and Medical Leave Act (FMLA).  
Insurance coverage will be maintained for an employee while they are on FMLA leave in accordance with the provisions set forth in Section 12.0 of Policy #1448 – Family Medical Leave Act.
- (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.
- (K) Monthly Premium Share.
1. Dental Insurance.
    - a. The City may pay the monthly premium on behalf of a full-time employee (1.0 FTE),

- b. Part-time employees are prorated based on FTE.
- c. Premiums may qualify under the City's Section 125: Flexible Spending Program (see Policy #1483 - Voluntary Benefit Programs).

2. Health Insurance.

- a. 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.
- b. Part-time employees are prorated based on FTE. 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.
- c. Premiums may qualify under the City's Section 125: Flexible Spending Program (see Policy #1483 - Voluntary Benefit Programs).

3. Elected Officials.

- a. Effective with the Terms of Elective Office which commence in 2019/2020, Elected Officials shall pay prorated premium share based on FTE consistent with other part-time employees and as defined in the annual budget document and/or by ordinance.

4. Retirement.

- a. Dental Insurance coverage is not available upon retirement; however, dental COBRA coverage will be offered if applicable.
- b. If the City provides a retiree health care option, it is administered consistent with section (4) Retiree Health Plan.

5. Surviving Spouse of a Deceased Active Employee.

- a. 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 20 full-time years<sup>1</sup> of service, under the following provisions:
  - i. 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 Fund's (ETF) – Wisconsin Retirement System's (WRS) Death Benefits regulations, the City will pay 50% of the monthly premium for ten (10) years or until the surviving spouse is employed by another employer providing health insurance coverage or remarries, whichever occurs first.
  - ii. In the event the surviving spouse or dependent 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.
  - iii. 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.
  - iv. 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.
- b. 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.
- c. 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 for a maximum of

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<sup>1</sup> 15 years of continuous full-time service for those existing employees who choose to convert to the Total Benefit Package. A part-time employee's service shall be prorated based on the employee's averaged FTE actually worked over the last 20 or 15 years of service.



10 years or when the spouse becomes eligible for individual's Medicaid/Title 19/Medicare Parts A and/or B eligibility or upon attaining Medicare age, whichever comes first.

6. Military Leave Benefit Continuation.

- a. 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.
- b. 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.
- c. 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.

(4) Retiree Health Plan.

(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<sup>2</sup> 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 up to a maximum of ten (10) years of coverage following retirement, whichever event occurs first. Coverage with the City for that individual would cease. See (N) for additional information.

(C) All other covered members shall remain participants in the City's retiree health insurance program for up to a maximum of ten (10) years following the retiree's retirement or until a subsequent qualifying event occurs that would otherwise terminate their coverage, whichever comes first. See (N) for additional information.

(D) Coverage at time of Retirement and throughout coverage.

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.

(E) 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.

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<sup>2</sup> 15 years for employees who choose to convert to the Total Benefit Package.

(F) 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.

(G) 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.

(H) Monthly Premium Share.

1. Employees hired on or after the original effective date of this policy:
  - a. Employees will pay a percentage of premium as established annually by the Common Council. (The minimum percentage paid by the employee shall be 50%.)
2. Employees who convert to the Total Benefit Package:
  - a. Employee pays 20% of the monthly premium if:
    - i. Hired/Elected prior to April 1, 2008 and upon hire was classified as a member of AFSCME – Local 80 Public Works and Clerical Union, or Non-represented (including unrepresented protective service employees), Department Head (including City Attorney) and Mayor, Alderperson or Municipal Judge.
    - ii. Hired prior to March 1, 2012 and upon hire was classified as a member of West Allis Federation of Nurses or Engineering Technician and Aides Association.
    - iii. Hired prior to March 1, 2016 and upon hire was classified as a member of West Allis Professional Police Association or West Allis Professional Fire Fighter's Association.
  - b. Employee pays 35% of the monthly premium if not hired under a classification outlined in a. above.
3. 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 20<sup>3</sup> years prior to retirement.

(I) 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.

(J) 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.

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<sup>3</sup> 15 years for employees who choose to convert to the Total Benefit Package.

(K) 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 8.0(3)A.). Health Insurance coverage may be available to the surviving spouse of a deceased retired employee (see Section H above).

(L) 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 8.0(3)5.c.
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.

(M) Disability Retirement.

1. An employee who qualifies for a disability retirement under the WI ETF-WRS and 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 is eligible to participate in the City's retiree health insurance program in accordance with the policies set forth in below:
  - a. Duration provided in 8.0 (4) B.
  - b. Monthly Premium Shared outlined in 8.0 (4) H.

(N) 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.

9.0 Employee Benefit Committee, Employee Benefit Advisory and Wellness Committee.

The Employee Benefit Committee and Employee Benefit Advisory and Wellness Committee will operate under the guidelines established in Section 8.0 of Policy #1413 – Health and Dental Insurance.

10.0 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 and/or disciplinary action.