

BY AUTHORITY

ORDINANCE NO. _____
SERIES OF 2018

COUNCIL BILL NO. CB18-_____
COMMITTEE OF REFERENCE:

A BILL

For an Ordinance modifying the city's 2019 contributions to the medical insurance and wellness programs under Chapter 18, Article VI, Division 1 of the Revised Municipal Code.

BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:

Section 1. That Section 18-173 of the Revised Municipal Code is hereby deleted in its entirety, and restated to read and be read as follows:

Sec. 18-173. - Medical insurance program—City contribution.

(a) Full-time contributions. Primary insureds who are regularly scheduled to work at least sixty (60) hours every two (2) weeks or full-time employees as defined in DRMC Sec. 18-172(2) shall receive full-time contribution as defined in this section.

(b) Part-time contributions. Primary insureds who are regularly scheduled to work at least forty (40), but less than sixty (60) hours every two (2) weeks, excluding employees who fail to meet the full-time employee definition in DRMC Sec. 18-172(2), shall receive a part-time contribution as defined in this section.

(c) High deductible health plan ("HDHP") contributions and payments. The city shall contribute the following for high deductible health plans, regardless of insurance provider:

(1) Full-time contributions.

a. Effective January 1, 2019, full-time contributions shall be: ninety-four and one-half percent (94.5%) of the monthly premium for employee only plans; eighty-nine and one-half percent (89.5%) of the monthly premium for employee plus children plans; eighty-seven percent (87%) of the monthly premium for employee plus spouse plans; and eighty-four and one-half percent (84.5%) of the monthly premium for family plans.

b. Effective January 1, 2016 and ending December 31, 2018, full-time contributions shall be: Ninety-five percent (95%) of the monthly premium for employee only plans; ninety percent (90%) of the monthly premium for employee plus children plans; eighty-seven and one-half percent (87.5%) of the monthly premium for employee plus spouse plans; and eighty-five percent (85%) of the monthly premium for family plans, regardless of the insurance provider selected.

(2) Part-time contributions. Part-time contributions shall be an amount equal to one-half (½) of

1 the full-time contribution rate for each category of coverage listed in DRMC Sec. 18-173(c)(1).
2 (3) City payment into active health savings accounts ("active HSA"). Effective January 1, 2018
3 and subject to the limitations set forth in DRMC Sec. 18-173(c)(4), every year a primary insured
4 is enrolled in a high deductible health plan (HDHP) offered by the city, the city shall pay into the
5 active HSA the following amounts:

6 a. For employee only HDHP coverage: for every one-dollar (\$1.00) per month the employee
7 deposits into their active HSA. the city will provide a two-dollar (\$2.00) match, with a monthly
8 maximum of twenty-five dollars (\$25.00), and an annual maximum of three hundred dollars
9 (\$300.00).

10 b. For HDHP coverages that have eligible dependents: for every one-dollar (\$1.00) per month
11 the employee deposits into their active HSA, the city will provide a two-dollar (\$2.00) match,
12 with a monthly maximum of seventy-five dollars (\$75.00), and an annual maximum of nine
13 hundred dollars (\$900.00).

14 c. Payment timing. Subject to the limitations set forth in the code, the city payment into an
15 active HSA shall occur within thirty (30) days of the active HSA's creation, with the following
16 limitations:

17 1. The city's HSA contribution to an active HSA shall follow the same 24-pay period
18 schedule as health insurance premiums.

19 2. No retroactive HSA matching contributions will be made.

20 3. Matching contributions will be based upon coverage effective on the first of each calendar
21 month.

22 (4) Limitations on city payment into active health savings accounts. The following restrictions
23 shall apply to the city payment into an active HSA account as set forth in DRMC Sec. 18-
24 173(c)(3):

25 a. An employee who is a dependent on any health insurance plan shall not be eligible to
26 receive a city payment into an active HSA;

27 b. Employees must actively contribute to an active HSA through a pre-tax payroll deduction to
28 receive a city matching contribution;

29 c. The city matching contribution will end when the primary insured's enrollment in the HDHP
30 offered by the city ends;

31 d. Employees who do not have an active HSA are not eligible for a city payment into an
32 active HSA account.

33 (5) Active health savings accounts. The Office of Human Resources shall select a bank or other
34 legally qualified institution ("approved bank") to provide and administer the health savings

1 accounts associated with the city's HDHP insurance program. No other HSA account shall
2 qualify as an active HSA as referred to in this DRMC Sec. 18-173.

3 (d) Deductible Health Maintenance Organization (“DHMO”) contributions and payments. The
4 city shall contribute the following for deductible health maintenance organization plans,
5 regardless of the insurance provider selected:

6 (1) Full-time contributions.

7 a. Effective January 1, 2019, full-time contributions shall be: Eighty-four percent (84%) of the
8 monthly premium for employee-only plans; seventy-nine percent (79%) of the monthly
9 premium for employee plus children plans; seventy-six and one-half percent (76.5%) of the
10 monthly premium for employee plus spouse plans; and seventy-four percent (74%) of the
11 monthly premium for family plans.

12 b. Effective January 1, 2016 and ending December 31, 2018, full-time contributions shall be:
13 Eighty-five percent (85%) of the monthly premium for employee-only plans; eighty percent
14 (80%) of the monthly premium for employee plus children plans; seventy-seven and one-half
15 percent (77.5%) of the monthly premium for employee plus spouse plans; and seventy-five
16 percent (75%) of the monthly premium for family plans.

17 (2) Part-time contributions. The city shall contribute an amount equal to one-half (½) of the full-
18 time contribution rate for each category of coverage listed in DRMC 18-173(d)(1).

19 (e) Time limitations. Each employee shall elect a health plan within thirty (30) days of
20 employment.

21 (f) Change in status. Each eligible employee shall promptly notify the Office of Human
22 Resources, benefits division of any changes to his or her status effecting the health plan
23 election within thirty (30) days of such change. Eligible employees shall cooperate with the city
24 and provide documentation as requested to verify any changes.

25 (g) Dependent coverage requirement. Each eligible dependent must be insured under the same
26 plan as the employee.

27 **Section 2.** That Section 18-178 of the Revised Municipal Code is hereby deleted in its
28 entirety, and restated to read and be read as follows:

29 **Sec. 18-178. - Wellness.**

30 The Office of Human Resources will administer a wellness program for eligible employees,
31 as defined in DRMC Sec. 18-171, as follows:

32 (a) For eligible employees who complete the established requirements of the wellness program
33 administered by the Office of Human Resources prior to the program deadlines, the city will
34 provide the following wellness incentives:

1 (1) 2018 Program. Prior to the program deadline of November 30, 2017, the city will provide the
2 following wellness incentives during 2018:

- 3 a. For DHMO insurance plan participants: a twenty-five dollar (\$25.00) per month health
4 insurance premium reduction.
- 5 b. For HDHP insurance plan participants eligible to participate in an HSA: a twenty-five dollar
6 (\$25.00) per month HSA contribution.
- 7 c. For HDHP insurance plan participants not eligible to participate in an HSA: a twenty-five
8 dollar (\$25.00) per month paycheck credit.
- 9 d. For 2018 HSA wellness incentive contribution payments, such payment to an active HSA
10 shall follow the same 24-pay period schedule as health insurance premiums.

11 (2) 2019 Program. Prior to the program deadline of November 30, 2018, the city will provide the
12 following wellness incentives during 2019:

- 13 a. For DHMO insurance plan participants: a fifty dollar (\$50.00) per month health insurance
14 premium reduction.
- 15 b. For HDHP insurance plan participants eligible to participate in an HSA: a one time, six
16 hundred-dollar (\$600) HSA contribution.
- 17 c. For HDHP insurance plan participants not eligible to participate in an HSA: a six hundred-
18 dollar (\$600) paycheck credit.
- 19 d. For the 2019 HSA program, the wellness incentive contribution shall commence no earlier
20 than January 1, 2019.

21 (b) Wellness incentives are subject to the following limitations.

22 (1) Employees who are not enrolled in a city-sponsored health plan are not entitled to the
23 wellness incentives.

24 (2) The wellness incentives will terminate if the employee terminates city-sponsored health
25 insurance coverage.

26 (3) For DHMO premium reductions, the premium reduction will follow the same 24-pay period
27 schedule as health insurance premiums.

28 (c) All department-level wellness programs must include the requirements of the wellness
29 program administered by the Office of Human Resources.

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