

1 **BY AUTHORITY**

2 ORDINANCE NO. _____
3 SERIES OF 2015

COUNCIL BILL NO. CB15-0412
COMMITTEE OF REFERENCE:
Technology and Governance

5 **A BILL**

6 **For an ordinance amending Section 18-173 of Chapter 18, of the Revised**
7 **Municipal Code, changing the City’s participation in medical insurance plans**
8 **and contributions, to implement the City’s High Deductible Health Plan and**
9 **Health Savings Account contribution.**

10
11 **BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

12 **Section 1.** That section 18-173 of the Revised Municipal Code be and is hereby amended
13 by adding the underlined language and deleting the stricken language to read and be read as
14 follows:

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

16 **(1) Full Time Contributions.** Eligible employees who are regularly scheduled to work at least
17 sixty (60) hours every two weeks or *full time* employees as defined in DRMC 18-172(2),
18 shall receive a Full Time Contribution as defined in this section.

19 **(2) Part Time Contributions.** Eligible employees who are regularly scheduled to work at least
20 forty (40), but less than sixty (60) hours every two weeks, excluding employees who fail to
21 meet the *full time* employee definition in DRMC 18-172(2), shall receive a Part Time
22 Contribution as defined in this section.

23 **(3) High Deductible Health Plan (“HDHP”) Contributions and Payments.** Effective January
24 1, 2016, the City shall make the following contributions for High Deductible Health Plans,
25 regardless of insurance provider:

26 a. **Full Time Contributions.** Full Time Contributions shall be: Ninety-five percent
27 (95%) of the monthly premium for employee-only plans; ninety percent (90%) of the
28 monthly premium for employee plus children plans; eighty-seven and one-half
29 percent (87.5%) of the monthly premium for employee plus partner plans; and eighty-
30 five percent (85%) of the monthly premium for family plans.

31 b. **Part Time contributions.** Part Time Contributions shall be an amount equal to one
32 half of the Full Time Contribution rate for each category of coverage listed in DRMC
33 18-173(3)(a).

34 c. **City Payment Into Active Health Savings Accounts.** Beginning 2016, every year
35 an employee is enrolled in a High Deductible Health Plan offered by the City, the City
36 shall pay into an employee’s Active HSA the following amounts: \$600.00 for

1 employee-only HDHP coverage, and; \$1,200.00 for all other HDHP coverage tiers.

2 i. Employee Election. Amounts to be paid to an employee's Active HSA shall be
3 based upon the employee's insurance coverage as of the benefit effective
4 date.

5 ii. Payment Timing. Subject to the limitations set forth in DRMC 18-173(3)(d),
6 the City Payment into an Active HSA shall occur within thirty (30) days of the
7 creation of the Active HSA account.

8 d. Limitations on City Payment into Active Health Savings Accounts. The
9 following restrictions shall apply to the City Payment into an Active HSA account as
10 set forth in DRMC § 18-173(3)(c), above:

11 i. An employee who is a dependent on any health insurance plan shall not be
12 eligible to receive a City Payment;

13 ii. No employee shall receive more than one City Payment into an Active HSA
14 Account per plan year;

15 iii. To receive a City Payment into an Active HSA, employees must open an
16 Active HSA within sixty (60) days of their benefit effective date.

17 iv. Employees who do not have an Active HSA are not eligible for a City Payment
18 into an Active HSA Account.

19 e. Active Health Savings Accounts ("Active HSA"). The Office of Human Resources
20 shall select a bank or other legally qualified institution ("Approved Bank") to provide
21 and administer the Health Savings Accounts associated with the City's HDHP
22 insurance program. No other HSA account shall qualify as an Active HSA as referred
23 to in DRMC § 18-173.

24 i. Employees must open their Active HSA with the Approved Bank within 60
25 days of their benefit effective date.

26 ~~(3) HMO Contributions: Effective January 1, 2014, the city shall contribute the following for the~~
27 ~~Kaiser Permanente HMO plan, United Health Care EPO/Choice Traditional plan and the~~
28 ~~Denver Health Medical Plan HMO:~~

29 ~~f. **Full Time Contributions.** Seventy-five percent (75%) of the monthly premium for~~
30 ~~employee only plans; seventy percent (70%) of the monthly premium for employee~~
31 ~~plus children plans; sixty seven and one half percent (67.5%) of the monthly premium~~
32 ~~for employee plus partner plans; and sixty five percent (65%) of the monthly premium~~
33 ~~for family plans, regardless of the insurance provider selected.~~

34 g. ~~Part time contributions. The City shall contribute an amount equal to one half of~~

1 ~~the Full Time Contribution rate for each category of coverage listed in DRMC 18-~~
2 ~~173(3)(a).~~

3 **(4) DHMO Contributions:** Effective January 1, ~~2016~~ 2014, the city shall contribute the
4 following for the Kaiser Permanente DHMO plan, United Health Care Navigate plan and the
5 Denver Health Medical Plan DHMO:

6 a. **Full Time Contributions.** ~~Eighty-five percent (85%)~~ Ninety-five percent (95%) of
7 the monthly premium for employee-only plans; ~~eighty percent (80%)~~ ninety percent
8 ~~(90%)~~ of the monthly premium for employee plus children plans; ~~seventy-seven and~~
9 ~~one-half percent (77.5%)~~ eighty-seven and one-half percent (87.5%) of the monthly
10 premium for employee plus partner plans; and ~~seventy-five percent (75%)~~ eighty-five
11 ~~percent (85%)~~ of the monthly premium for family plans, regardless of the insurance
12 provider selected.

13 b. **Part time contributions.** The City shall contribute an amount equal to one half of
14 the Full Time Contribution rate for each category of coverage listed in DRMC 18-
15 173(4)(a).

16 **(5) Subscriber or Dependent Enrollees.** If spouses are eligible employees, as defined in
17 DRMC 18-171, each eligible employee may enroll in medical coverage as either a
18 subscriber or dependent, but not both. The City shall make one (1) contribution per
19 employee, per plan, calculated as described in this DRMC 18-173, above, to avoid double
20 coverage of any employee.

21 **(6) Time Limitation.** Each eligible employee shall elect a health plan within thirty (30) days of
22 employment.

23 **(7) Change in Status.** Each eligible employee shall promptly notify the Office of Human
24 Resources, Benefits division of any changes to his or her status affecting the health plan
25 election within thirty (30) days of such change. Eligible employees shall cooperate with the
26 City and provide documentation as requested to verify any changes.

27 **(8) Dependent Coverage Requirement.** Each child, spouse or spousal equivalent must be
28 insured under the same plan as the employee.

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30 **[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]**
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1 COMMITTEE APPROVAL: June 30, 2015
2 MAYOR-COUNCIL DATE: N/A
3 PASSED BY THE COUNCIL: _____, 2015
4 _____ - PRESIDENT

5 APPROVED: _____ - MAYOR _____, 2015
6 ATTEST: _____ - CLERK AND RECORDER,
7 EX-OFFICIO CLERK OF THE
8 CITY AND COUNTY OF DENVER

9 NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2015; _____, 2015
10 PREPARED BY: Robert A. McDermott, Assistant City Attorney DATE: July 2, 2015

11 Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of
12 the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed
13 ordinance. The proposed ordinance is not submitted to the City Council for approval pursuant to
14 §3.2.6 of the Charter.
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16 D. Scott Martinez, City Attorney for the City and County of Denver
17 BY: _____, Assistant City Attorney DATE: _____, 2015
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