

**BY AUTHORITY**

ORDINANCE NO. \_\_\_\_\_  
SERIES OF 2024

COUNCIL BILL NO. CB24-1089  
COMMITTEE OF REFERENCE:  
Finance & Governance

**A BILL**

**For an ordinance modifying Article VI, Chapter 18 of the Revised Municipal Code of Denver entitled Insurance Program, to implement 2025 employee benefit changes that both adds a new “Preferred Provider Organization” insurance plan and allows employees until December 31 of each year to earn wellness incentive.**

**WHEREAS**, pursuant to Revised Municipal Code section 18-184, the Employee Health Insurance Committee recommends employee benefit changes to add a new preferred provider organization insurance plan and to extend the deadline until December 31, for employees to earn the wellness incentive; and,

**WHEREAS**, pursuant to subsection 18-5(e) of the Code, the Executive Director of the Office of Human Resources recommends to Council and the Mayor that they adopt the recommended employee benefit changes as reflected in this ordinance; and,

**WHEREAS**, the Career Service Board has conducted a public hearing on the proposed changes contained herein.

**NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY OF DENVER:**

**Section 1.** That Revised Municipal Code section 18-173 is hereby deleted and restated as follows:

**Sec. 18-173. Medical insurance program – City contribution**

*(a) General Provisions.*

*(1) 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 section 18-172 shall receive full-time contribution as defined in this section.

*(2) 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 section 18-172, shall receive a part-time contribution as defined in this section.

*(3) Time limitations for health plan elections.*

1 a. *Health Plan Election.* Each employee shall elect a health plan within thirty (30)  
2 days of employment.

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

7 (4) *Dependent coverage requirement.* Each eligible dependent must be insured  
8 under the same plan as the employee.

9 (5) *Limitations on city payment into active health savings accounts.* The following  
10 restrictions shall apply to the city payment into an active health savings account provided for in this  
11 section:

12 a. An employee who is a dependent on any health insurance plan shall not be  
13 eligible to receive a city payment into an active health savings account.

14 b. Employees must actively contribute to an active health savings account through  
15 a pre-tax payroll deduction to receive a city matching contribution.

16 c. The city matching contribution will end when the primary insured's enrollment in  
17 the high deductible health plan offered by the city ends.

18 d. Employees who do not have an active health savings account are not eligible  
19 for a city payment into an active health savings account.

20 (6) *Active health savings accounts.* The Office of Human Resources shall select a  
21 bank or other legally qualified institution ("approved bank") to provide and administer the health  
22 savings accounts ("active health savings account") associated with the city's high deductible health  
23 plan insurance program. No other health savings account ("HSA") shall qualify as an active health  
24 savings account as referred to in this section.

25 (b) *Contribution Amounts.*

26 (1) *High Deductible Health Plan (HDHP) contributions and payments.* The city  
27 shall contribute the following for high deductible health plans, regardless of insurance provider:

28 a. *Full-time contributions.* Full-time contributions shall be: ninety-four and one-half  
29 percent (94.5%) of the monthly premium for employee only plans; eighty-nine and one-half percent  
30 (89.5%) of the monthly premium for employee plus children plans; eighty-seven percent (87%) of  
31 the monthly premium for employee plus spouse plans; and eighty-four and one-half percent (84.5%)  
32 of the monthly premium for family plans.

1           b. *Part-time contributions.* Part-time contributions shall be an amount equal to one-  
2 half (½) of the full-time contribution rate for each category of coverage listed in section 18-  
3 173(b)(1)(a).

4           c. *City payment into active health savings accounts.* Subject to the limitations set forth  
5 in this section, every year a primary insured is enrolled in a high deductible health plan offered by  
6 the city, the city shall pay into active health savings accounts the following amounts:

7           1. *For employee only high deductible health plan coverage:* For every one dollar  
8 (\$1.00) per month the employee deposits into their active health savings account, the city will provide  
9 a two dollar (\$2.00) match, with a monthly maximum of twenty-five dollars (\$25.00), and an annual  
10 maximum of three hundred dollars (\$300.00).

11           2. *For high deductible health plan coverages that have eligible dependents:* For  
12 every one dollar (\$1.00) per month the employee deposits into their active health savings account,  
13 the city will provide a two dollar (\$2.00) match, with a monthly maximum of seventy-five dollars  
14 (\$75.00), and an annual maximum of nine hundred dollars (\$900.00).

15           3. *Active health savings account payment timing.* Subject to the limitations set forth  
16 in this section, the city payment into an active health savings account shall occur within thirty (30)  
17 days of the active health savings account's creation, with the following limitations:

18           A. The city's contribution to an active health savings account shall follow the  
19 same 24-pay period schedule as health insurance premiums.

20           B. No retroactive health savings account matching contributions will be made.

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

23           (2) *Deductible Health Maintenance Organization (“DHMO”) contributions and*  
24 *payments.* The city shall contribute the following for deductible health maintenance organization  
25 plans, regardless of the insurance provider selected:

26           a. *Full-time contributions.* Full-time contributions shall be: Eighty-four percent  
27 (84%) of the monthly premium for employee-only plans; seventy-nine percent (79%) of the monthly  
28 premium for employee plus children plans; seventy-six and one-half percent (76.5%) of the monthly  
29 premium for employee plus spouse plans; and seventy-four percent (74%) of the monthly premium  
30 for family plans.

31           b. *Part-time contributions.* The city shall contribute an amount equal to one-half  
32 (½) of the full-time contribution rate for each category of coverage listed in section 18-173(b)(2)(a).

1 (3) Preferred Provider Organization (“PPO”) plan contributions and payments. The  
2 city shall contribute the following for the Preferred Provider Organization plan:

3 a. Full-time contributions. Effective January 1, 2025, full-time contributions shall be:  
4 Ninety-two and one-half percent (92.5%) of the monthly premium for employee-only plans; eighty-  
5 seven and one-half percent (87.5%) of the monthly premium for employee plus children plans;  
6 eighty-five percent (85%) of the monthly premium for employee plus spouse plans; and eighty-two  
7 and one-half percent (82.5%) of the monthly premium for family plans.

8 b. Part-time contributions. The city shall contribute an amount equal to one-half (½) of  
9 the full-time contribution rate for each category of coverage listed in section 18-173(b)(3)(a).

10 **Section 2.** That section 18-178 of the Revised Municipal Code be and is hereby amended by  
11 adding the underlined language and deleting the stricken language to read and be read as follows:

12 **Sec. 18-178. Wellness.**

13 The Office of Human Resources will administer a wellness program for eligible employees,  
14 as defined in ~~DRMC~~ section 18-171, as follows:

15 (a) For eligible employees who complete the established requirements of the wellness  
16 program administered by the Office of Human Resources prior to the program deadline of ~~November~~  
17 ~~30~~ December 31 of each year, the city will provide the following wellness incentives during the  
18 following calendar year:

19 (1) For DHMO insurance plan participants: a fifty dollar (\$50.00) per month health  
20 insurance premium reduction following the same twenty-four (24) pay period schedule as health  
21 insurance premiums.

22 (2) For HDHP insurance plan participants eligible to participate in an HSA who have an  
23 active health savings account opened prior to February 28: a one ~~(1)~~ time, six hundred\_-dollar  
24 (\$600.00) HSA contribution.

25 (3) For HDHP insurance plan participants who are eligible to participate in an HSA who  
26 do not, by February 28, have an active health savings account with the city’s chosen HSA provider  
27 as defined in section 18-173: a six hundred dollar (\$600.00) taxable paycheck credit.

28 ~~(3)(4)~~ For HDHP insurance plan participants not eligible to participate in an HSA: a six  
29 hundred dollar (\$600.00) taxable paycheck credit.

30 ~~(4)(5)~~ For the HSA program, the The wellness incentive contribution to the HSA shall  
31 commence no earlier than January 1.

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

1            (1) Employees who are not currently employed by the city at the time the incentive is paid  
2 are not entitled to receive the wellness incentive.

3            ~~(1)~~(2)        Employees who are not enrolled as the primary account holder in a city-  
4 sponsored health plan are not entitled to the wellness incentives.

5            ~~(2)~~(3)        The wellness incentives will terminate if the employee terminates city-  
6 sponsored health insurance coverage.

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

9            (c) Employees who believe an error precluded them from receiving the wellness incentive  
10 may appeal to the wellness team via email no later than February 28 of the year following the  
11 incentive program in question to have their situation reviewed.

12            ~~(e)~~(d) All department-level wellness programs must include the requirements of the wellness  
13 program administered by the Office of Human Resources.

14            **Section 3. Effective date.** This bill takes effect immediately.

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1 COMMITTEE APPROVAL DATE: August 27, 2024 by Consent  
2 MAYOR-COUNCIL DATE: September 3, 2024 by Consent  
3 PASSED BY THE COUNCIL: \_\_\_\_\_

4 \_\_\_\_\_ - PRESIDENT

5 APPROVED: \_\_\_\_\_ - MAYOR \_\_\_\_\_

6 ATTEST: \_\_\_\_\_ - CLERK AND RECORDER,  
7 EX-OFFICIO CLERK OF THE  
8 CITY AND COUNTY OF DENVER

9 NOTICE PUBLISHED IN THE DAILY JOURNAL: \_\_\_\_\_;

10 PREPARED BY: Robert A. McDermott, Assistant City Attorney DATE: September 5, 2024

11 Pursuant to section 13-9, D.R.M.C., this proposed ordinance has been reviewed by the office of the  
12 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 Kerry Tipper, Denver City Attorney

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18 BY: \_\_\_\_\_, Assistant City Attorney DATE: \_\_\_\_\_

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