

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team
at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**.

****All fields must be completed.****

Incomplete request forms will be returned to sender which may cause a delay in processing.

Date of Request: **August 19, 2013**

Please mark one: ☒ **Bill Request** or ☐ **Resolution Request**

1. Has your agency submitted this request in the last 12 months?

☐ **Yes** ☒ **No**

If yes, please explain:

2. Title: Approve 2014 Health Insurance Recommendations:

The Office of Human Resources will be presenting this recommendation to the General Government Committee on August 21, 2013.

3. Requesting Agency: Office of Human Resources

4. Contact Person: *(with actual knowledge of proposed ordinance)*

- **Name:** Heather Britton
- **Phone:** 720-913-5699
- **Email:** heather.britton@denvergov.org

5. Contact Person: *(with actual knowledge of proposed ordinance who will present the item at Mayor-Council and who will be available for first and second reading, if necessary)*

- **Name:** Heather Britton
- **Phone:** 720-913-5699
- **Email:** heather.britton@denvergov.org

6. General description of proposed ordinance including contract scope of work if applicable:

1. **2014 Health Insurance Recommendations** – OHR respectfully requests the approval of the recommended 2014 changes to medical, short term disability, and life insurance plans, listed below.

Please include the following:

- a. **Duration:**
- b. **Location:**
- c. **Affected Council District:**
- d. **Benefits:**
- e. **Costs:**

7. Is there any controversy surrounding this ordinance? (groups or individuals who may have concerns about it?) **Please explain.**

None known

Bold Denotes a change in

2013-2014 Career Service Monthly Medical Premium Compare

	2013 Contributions and Rates				2014 Contributions and Rates				Change 2013 to 2014		
	% City Cont	Monthly Total	City Monthly Cost	Employee Monthly Cost	% City Cont	Monthly Total	City Monthly Cost	Employee Monthly Cost	Total % Change	City Monthly \$ Change	Employee Monthly \$ Change
KAISER											
Employee	80%	\$470.51	\$376.41	\$94.10	75%	\$525.98	\$394.49	\$131.50	12%	\$18.08	\$37.39
Ee + spouse	72.5%	\$1,027.92	\$745.24	\$282.68	67.5%	\$1,157.15	\$781.08	\$376.07	13%	\$35.83	\$93.40
Ee + child	75%	\$935.02	\$701.27	\$233.76	70%	\$1,051.95	\$736.37	\$315.59	13%	\$35.10	\$81.83
Family	70%	\$1,492.43	\$1,044.70	\$447.73	65%	\$1,683.13	\$1,094.03	\$589.10	13%	\$49.33	\$141.37
KAISER DEDUCTIBLE HMO											
Employee	95%	\$385.72	\$366.43	\$19.29	95%	\$428.20	\$406.79	\$21.41	11%	\$40.36	\$2.12
Ee + spouse	87.5%	\$841.37	\$736.20	\$105.17	87.5%	\$942.04	\$824.29	\$117.76	12%	\$88.09	\$12.58
Ee + child	90%	\$765.43	\$688.89	\$76.54	90%	\$856.40	\$770.76	\$85.64	12%	\$81.87	\$9.10
Family	85%	\$1,221.09	\$1,037.93	\$183.16	85%	\$1,370.25	\$1,164.71	\$205.54	12%	\$126.79	\$22.37
UNITED HEALTHCARE HMO											
Employee	80%	\$710.57	\$568.46	\$142.11	75%	\$832.68	\$624.51	\$208.17	17%	\$56.05	\$66.06
Ee + spouse	72.5%	\$1,556.08	\$1,128.16	\$427.92	67.5%	\$1,831.92	\$1,236.55	\$595.37	18%	\$108.39	\$167.45
Ee + child	75%	\$1,415.19	\$1,061.39	\$353.80	70%	\$1,665.41	\$1,165.79	\$499.62	18%	\$104.39	\$145.83
Family	70%	\$2,261.03	\$1,582.72	\$678.31	65%	\$2,665.05	\$1,732.28	\$932.77	18%	\$149.56	\$254.46
UNITED HEALTHCARE NAVIGATE											
Employee	95%	\$582.59	\$553.46	\$29.13	95%	\$605.71	\$575.42	\$30.29	4%	\$21.96	\$1.16
Ee + spouse	87.5%	\$1,274.51	\$1,115.20	\$159.31	87.5%	\$1,332.58	\$1,166.01	\$166.57	5%	\$50.81	\$7.26
Ee + child	90%	\$1,159.21	\$1,043.29	\$115.92	90%	\$1,211.46	\$1,090.31	\$121.15	5%	\$47.03	\$5.22
Family	85%	\$1,851.40	\$1,573.69	\$277.71	85%	\$1,938.61	\$1,647.82	\$290.79	5%	\$74.13	\$13.08
DENVER HEALTH HMO											
Employee	80%	\$521.73	\$417.38	\$104.35	75%	\$538.81	\$404.11	\$134.70	3.27%	-\$13.28	\$30.36
Ee + spouse	72.5%	\$1,080.91	\$783.66	\$297.25	67.5%	\$1,123.01	\$758.03	\$364.98	3.89%	-\$25.63	\$67.73
Ee + child	75%	\$839.57	\$629.68	\$209.89	70%	\$870.88	\$609.62	\$261.26	3.73%	-\$20.06	\$51.37
Family	70%	\$1,496.46	\$1,047.52	\$448.94	65%	\$1,557.17	\$1,012.16	\$545.01	4%	-\$35.36	\$96.07
DENVER HEALTH DEDUCTIBLE HMO											
Employee	95%	\$444.22	\$422.01	\$22.21	95%	\$419.70	\$398.72	\$20.99	-5.52%	-\$23.29	-\$1.23
Ee + spouse	87.5%	\$919.37	\$804.45	\$114.92	87.5%	\$874.77	\$765.42	\$109.35	-4.85%	-\$39.03	-\$5.57
Ee + child	90%	\$714.31	\$642.88	\$71.43	90%	\$678.37	\$610.53	\$67.84	-5.03%	-\$32.35	-\$3.59
Family	85%	\$1,272.48	\$1,081.61	\$190.87	85%	\$1,212.95	\$1,031.01	\$181.94	-4.68%	-\$50.60	-\$8.93

City Paid Basic Life and AD&D Insurance Changes 2013-2014

	2013	2014	Change
Sheriff	\$0.18/\$1000	\$0.23/\$1000	33%
Career Service	\$0.17/\$1000	\$0.22/\$1000	36%

City Paid Long-term Disability Insurance Changes 2013-2014

2013	2014	Change
.15% of payroll	.19% of payroll	27%

Employee Paid Short-term Disability Insurance 2013-2014

	2013	2014	Change
Plan 1 (7 day wait, \$350/week)	\$18.90/Month	\$23.63/month	25%
Plan 2 (7 day wait, \$1500/week)	.87% of insured earnings	1.088% of insured earnings	25%
Plan 3 (14 day wait, \$1500/week)	.7% of insured earnings	.875% of insured earnings	25%
Plan 4 (30 day wait, \$1500/week)	.53% of insured earnings	.663% of insured earnings	25%
Plan 5 (60 day wait, \$1500/week)	.35% of insured earnings	.438% of insured earnings	25%

Employee Paid Additional Life Insurance 2013-2014

Proposed Career Service 2014 Health Plan Changes

The following is a summary of changes from the 2013 to the 2014 plan year for any Career Service or Sheriff employee enrolled in the City and County of Denver's group health plans.

New this year: All expenses are included in the out-of-pocket maximums
 Lower City contribution to the HMO plans to promote movement toward the Deductible HMO/Navigate plans
 No copay changes

2014 Medical Updates

	Kaiser Permanente Plans			United Health Care Plans		Denver Health Medical Plans	
	HMO (no change 2013-14)	Deductible HMO 2013	Deductible HMO 2014	HMO (no change 2013-14)	Navigate (no change 2013-14)	HMO 2013 ² (No Change 2013-2014)	Deductible HMO (No Change 2013-2014)
Deductible	\$0	\$500/1500	\$500/1500	\$0	\$500/1500	\$0	\$500/1500
Out-of-pocket max (EE/Family)	\$3000/6000	\$2500/5000	\$3000/6000 ¹	\$3000/6000	\$2500/5000	none	\$2500/5000
Employee Coinsurance	none	20%	20%	none	20%	none	20%
Primary Care Office Visit	\$30	\$30*	\$30*	\$35	\$25*	\$25	\$25
Specialist Visit	\$50	\$50*	\$50*	\$60	\$50*	\$40	\$50
Prescriptions	\$20/40/60	\$20/40/60	\$20/40/60	\$20/40/60	\$15/45/60	DH \$4/10/15/30 Non-DH Pharmacy \$8/20/30/60	\$15/45/60
Inpatient Hospital	\$500/day up to \$2500	20% after deductible	20% after deductible	\$500/day up to \$2500	\$150 + deductible + coinsurance	\$500	\$150 + deductible + coinsurance
Outpatient Hospital	\$350	20% after deductible	20% after deductible	\$350	\$75 + deductible + coinsurance	\$200	\$75 + deductible + coinsurance
ER	\$300	\$200*	\$200*	\$300	\$300*	\$150	\$300*
Urgent Care	\$100	\$75*	\$75*	\$100	\$75*	\$50/100	\$75*

*For the Kaiser DHMO, United Navigate and DHMP Deductible HMO plans, procedures performed during visit are subject to deductible and coinsurance in addition to

¹The deductible was raised because all expenses, including copay, are included in the annual maximum in 2014

²Denver Health has two levels for prescriptions. If members fill their prescription at Denver Health they pay \$8 for certain maintenance medications and \$15/\$25/\$45 for generic, brand and non-formulary, respectively. They will pay \$25/\$45/\$65 for generic, brand and non-formulary, respectively outside of Denver Health, at a participating pharmacy. Denver Health also has two Urgent care

Denotes a change in 2014

BY AUTHORITY

ORDINANCE NO. _____
SERIES OF 2013

COUNCIL BILL NO. _____
COMMITTEE OF REFERENCE:
Government and Finance

A BILL

for an Ordinance approving a proposed purchase by the City and County of Denver ("City") of insurance coverage from: Kaiser Foundation Health Plan of Colorado; UnitedHealthCare Insurance Company; Denver Health Medical Plan, Inc.; Delta Dental of Colorado; Standard Insurance Company of Colorado, Inc.; Rocky Mountain Hospital & Medical Services, Inc. dba Anthem Blue Cross & Blue Shield.

WHEREAS, pursuant to Section 18-5(c), Denver Revised Municipal Code ("D.R.M.C."), the Office of Human Resources Director of Personnel has consulted with the employee health insurance committee and recommends to City Council the following employee benefit changes to the insurance policies and agreements between the City and entities set forth below.

WHEREAS, pursuant to Section 18-5(c), D.R.M.C., City Council may accept, reject or modify any benefit recommendations made by the Director.

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

Section 1. The proposed purchase of insurance coverage by the City from **Kaiser Foundation Health Plan of Colorado**, in the words and figures contained and set forth in the attached 2014 Rate Sheets, Benefit Proposals and Summaries attached hereto, is hereby approved.

Section 2. The proposed purchase of insurance coverage by the City from **UnitedHealthCare Insurance Company**, in the words and figures contained and set forth in the attached 2014 Rate Sheets, Benefit Proposals and Summaries attached hereto, is hereby approved.

Section 3. The proposed purchase of insurance coverage by the City from **Denver Health Medical Plan, Inc.**, in the words and figures contained and set forth in the attached 2014 Rate Sheets, Benefit Proposals and Summaries attached hereto, is hereby approved.

Section 4. The proposed purchase of dental insurance coverage by the City from **Delta Dental of Colorado**, in the words and figures contained and set forth in the attached 2014 Rate Sheets, Benefit Proposals and Summaries attached hereto, is hereby approved.

Section 5. The proposed purchase of insurance coverage for basic life, accidental death and dismemberment, and long term disability insurance by the City from **Standard Insurance Company of Colorado, Inc.**, in the words and figures contained and set forth in the attached 2014 Rate Sheets, Benefit Proposals and Summaries attached hereto, is hereby approved.

Section 6. The proposed purchase of insurance coverage for supplemental vision insurance by the City from **Rocky Mountain Hospital & Medical Services, Inc. dba Anthem Blue Cross & Blue Shield**, in the words and figures contained and set forth in the attached 2014 Rate Sheets, Benefit Proposals and Summaries attached hereto, is hereby approved.

Section 7. The Office of Human Resources Director of Personnel, and the Human Resources Director of the Denver Police Department are hereby authorized to perform all of the duties and undertake all of the responsibilities needed to effectuate the insurance policies and agreements between the City and entities set forth above in this ordinance, as contemplated by and consistent with this ordinance.

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COMMITTEE APPROVAL: September _____, 2013.

MAYOR-COUNCIL DATE: (by Consent) September _____, 2013.

PASSED BY THE COUNCIL: _____, 2013

_____ - PRESIDENT

APPROVED: _____ - MAYOR _____, 2013

ATTEST: _____ - CLERK AND RECORDER,
EX-OFFICIO CLERK OF THE
CITY AND COUNTY OF DENVER

NOTICE PUBLISHED IN THE DAILY JOURNAL: _____, 2013; _____, 2013

PREPARED BY: ROBERT MCDERMOTT - ASSISTANT CITY ATTORNEY – _____, 2013

Pursuant to section 13-12, D.R.M.C., this proposed ordinance has been reviewed by the office of the City Attorney. We find no irregularity as to form, and have no legal objection to the proposed ordinance. The proposed ordinance is submitted to the City Council for approval pursuant to §3.2.6 of the Charter.

Douglas J. Friednash, City Attorney for the City and County of Denver

BY: _____, City Attorney DATE: _____, 2013