

TO: Council
Mayor Kneeland
FROM: Abby Cochran, Human Resources Director
DATE: October 21, 2016
SUBJECT: Human Resources Council Report for October 24, 2016

Action Item #1:

We are respectfully request legislation to authorize the Mayor to sign the Steelworkers Health and Welfare Plan Participation Agreement. Employees covered under the United Steelworkers bargaining unit agreement participate in the Steelworkers Health and Welfare Fund which provides medical, prescription, dental and vision insurance.

The bargaining unit agreement contains a provision that in the event the net cost of the premiums for the Steelworkers Health and Welfare plan is greater than the net cost of the Central Ohio Healthcare Consortium (COHCC) plan, the members will have the option to move to the COHCC plan or remain on the Steelworkers' plan and pay the cost difference. We compared the projected net costs between the two plans and determined that the projected net cost of the Steelworkers plan was more than the cost of the COHCC plan for 2017. The Steelworkers have opted to continue their coverage through the Steelworkers Health and Welfare plan with their members paying the cost difference.

We are required to return the signed participation agreement by November 30, 2016; therefore, I am requesting an emergency to waive the 30 day wait period before the Mayor is authorized to sign it.

Update Item #1:

The 2017 Salary Ordinances are being revised for 2017 and will be brought forward to Council in November. We currently have four salary ordinances for employees not covered under a bargaining unit agreement.

For ease of administration, consistency and understandability, we are working to combine the salary ordinances into one for all full-time and part-time employees and remove the seasonal staff from the part-time ordinance. Depending upon the passage of the civil service charter change, language may also need to be updated in regards to those changes.

Update Item #2:

The COHCC plan cost will increase 4% in the 2017 plan year. The consortium continues to be proactive in managing our healthcare costs and we are able to see a lower than average increase due to this. According to Segal Health Plan Cost Trend Survey¹, the average increase to cost is 7.4% in the Midwest for 2017.

Source:

¹ Segal Consulting. (2016.) *2017 Segal Health Plan Cost Trend Survey*. Retrieved from <https://www.segalco.com/media/2717/ps-trend-survey-2017.pdf>