



Meeting Date:	October 19, 2026
Submitter:	Ashley Monroe, Assistant City Administrator/HR Director
Department:	Administration / Human Resources
Agenda Item:	A Resolution Approving a Health Insurance Opt-Out Incentive Policy and Authorizing the City Administrator to Implement the Policy

Summary: At the August 24th, September 28th, and October 12th Work Sessions, staff presented a recommendation for including a provision in the Employee Handbook updates, related to a new Health Insurance Opt-Out Incentive Program.

The program encourages employees to consider not being on the City's insurance plan by offering a limited cash incentive to opt out on an annual basis. This benefit is shared between the employer and the employee, because even with a stipend for waiving insurance, an opt-out program saves the City present and future insurance costs.

Following general agreement by City Council to move forward, the City Attorney has prepared a resolution authorizing the City Administrator to create and implement an Opt-Out Incentive Program.

The policy for the program is provided as an attached exhibit.

Recommended Action

A Resolution Approving a Health Insurance Opt-Out Incentive Policy and Authorizing the City Administrator to Implement the Policy

Budget Impact

Although the City does not know how many employees will ultimately elect a waiver of health insurance, we anticipate between 1 and 5 employees considering a waiver. Even with the annual payment of a stipend (bi-weekly increments) to the employee, the City will save the difference in health insurance premium that would otherwise have to be paid for an employee electing City insurance.

Attachments

- Resolution
- Administrative Opt-Out Policy