



MEMO

Human Resources

To: Finance & Personnel Committee
From: HR Director Hodge
Date: August 31, 2026
Re: Health Insurance Coverage Effective Date

Background information:

Historically, the City of Kaukauna has utilized a 30-day waiting period for health insurance eligibility for new/re-hires. ETF does allow employers who utilize its plans to set their own waiting period for health insurance (medical/pharmacy).

Additional benefits under ETF (supplemental dental, vision, life insurance) were historically managed with the same 30-day waiting period.

With the implementation of the ETF Benefits portal, which all state and local agencies are now required to use for benefit management, waiting periods for supplemental dental, vision, and life insurance benefits require us to provide these benefit coverages effective on the first of the month following hire/re-hire.

This required change to waiting periods for some, but not all (health insurance) benefits would now mean that new/re-hires have different effective dates for different benefits.

To reduce confusion on effective dates and to keep consistency for internal reconciliation, it is proposed that our health insurance waiting period be eliminated, as of January 1, 2027, to follow the additional benefit coverage rules under ETF. This removes the 30-day waiting period and would give new/re-hired employees coverage on the first of the month following the hire date.

Strategic Plan:

Employer of Choice – Reducing the waiting time for coverage eases concerns that newly hired employees may have over their effective dates. Depending on how timing falls for the hire date and the coverage date, this can be close to two full months under the current rule.

This duration of having no health plan coverage under the City, and depending on the timing of losing their previous coverage, or the very high cost of enrolling through COBRA for interim coverage, can be a significant challenge for a new/re-hired employee.

Budget:

Current budget process for positions with benefits is to plan for all 12 months' worth of coverage for employer expense. A change to our waiting period to cover employees one (1) month sooner will not have a budgetary impact on what is already planned for as employer expense.

Staff Recommended Action:

Human Resources, with the support of Finance, recommends the approval of the removal of the 30-day waiting period for health insurance and to allow benefit effective coverage dates to be on the first of the month, following a hire/re-hire date, with this change becoming effective January 1, 2027.

Note: If approved, the detailed waiting period for health benefits will be updated in the next applicable version of the Employee Handbook.