

CITY OF RICHLAND CENTER

AGENDA ITEM DATA SHEET

Agenda Item: Legal Services Agreement

Meeting Date: Personnel Committee on July 21, 2025

Requested by: Ashley Oliphant, City Administrator

Background: With insurance costs continuing to rise, a Health Insurance Opt-Out Incentive Program concept was developed for consideration as a potential cost control mechanism within the Wisconsin ETF State Group Health Insurance Program. However, an informal employee survey indicates low interest. If the program were to be implemented, current responses suggest that this could lead to additional costs if employees receive incentives to continue opting out.

Currently, the City has **35 employees eligible for insurance coverage** (excluding City Utilities).
Of these 35:

- **8 employees decline coverage.**
 - Two of these eight receive coverage through a spouse who is also a City employee.
- **27 employees currently receive coverage.**
 - 5 employees have single plans.
 - 22 employees have family plans.

Anticipated Changes for 2026:

- We expect two of the eight employees who currently decline coverage to request it in 2026.

City's 2025 Insurance Costs:

- **Single Plans:** Just over \$58,000 for the 5 employees.
- **Family Plans:** Approximately \$636,000 for the 22 employees.

Requested Action: Informational only.

Attachment(s):

- Health Insurance Opt-Out Incentive Program Draft