

**CITY OF SHEBOYGAN
RESOLUTION 64-23-24**

BY ALDERPERSONS MITCHELL AND FILICKY-PENESKI.

OCTOBER 2, 2023.

A RESOLUTION adopting certain changes to the City’s Medical Benefit Plan and Dental Benefit Plan effective for calendar year 2024 coverage and establishing the monthly premium equivalent rates effective for January 2024 coverage and thereafter.

RESOLVED: That the following changes to the City of Sheboygan’s Medical Benefit Plan and Dental Benefit Plan effective for calendar year 2024 are hereby adopted:

- 1) For calendar year 2024 there will be no changes to the City of Sheboygan’s monthly premium rates. Those rates, as adopted for the past two years, are hereby adopted for 2024:

- a) 2024 Health Insurance Monthly Premium Rates

- i) The monthly premium for health insurance in 2024 shall be as follows:

<u>Coverage</u>	
Single	\$ 914.90
Employee with spouse	\$1,740.56
Employee with children	\$1,577.78
Family	\$2,405.16

- ii) The monthly employee premium equivalent rates for full-time employees who participate in the annual physical exam shall be:

<u>Coverage</u>	
Single	\$ 80.04
Employee with spouse	\$ 152.30
Employee with children	\$ 138.06
Family	\$ 210.44

- iii) The monthly employee premium equivalent rates for full-time employees who do not participate in the annual physical exam shall be:

Coverage

Single	\$ 137.24
Employee with spouse	\$ 261.08
Employee with children	\$ 236.67
Family	\$ 360.77

- iv) The monthly employee premium equivalent rates for part-time, eligible employees shall be:

Coverage

Single	\$ 457.44
Employee with spouse	\$ 870.22
Employee with children	\$ 788.88
Family	\$1,202.58

- 2) New employees, those not previously eligible for health insurance, and those not previously participating in the City of Sheboygan Health Insurance Plan will receive the rates listed in subsection i) above for the 2024 plan year (and the associated rates for the 2024 plan year) in order to allow the employee the necessary time to participate in the Wellness Plan Year, which runs from September 1 to August 31.
- 3) In 2024, the City will partially fund a Health Savings Account (HSA) for employees and/or family members (eligibility follows IRS guidelines) on the plan as of January 1, 2024. Except in the case of a collective bargaining agreement that states otherwise, the maximum City funding amounts will total \$750 for those with single coverage and \$1,500 for those of employee plus spouse, employee plus child(ren), and full family coverage. Additionally:
 - a) Employees who are on the Plan on January 1, 2024 shall have their HSA funded in January 2024.
 - b) No contributions will be made for those new to the plan on or after January 1, 2024.
 - c) HSA contributions are issued to an employee and/or family member based on eligibility of the employee and/or retiree on January 1. Mid-year changes for an active plan participant after January 1 are not eligible for HSA contributions. In addition, COBRA-only participants are not eligible for the City contribution to the HSA.

- d) Employees/retirees are responsible for notifying the Human Resources Department if the employee/ retiree is or will be an active participant of a secondary government-issued health insurance, such as Medicare or Tricare, as of January 1 of the Plan year. Following IRS guidelines, neither the City nor the employee may contribute to a HSA account if the employee is also participating in the government plan.
 - e) Employees/retirees who elect the family plan, employee plus child(ren) plan, and employee plus spouse plan remain eligible for the applicable HSA contribution, even if their dependent is on a government issued plan so long as their spouse is not listed on the employee's HSA account. Once an employee is not eligible for the HSA contribution, no HSA contribution will be provided to spouse and/or dependents on the plan.
- 4) Effective for plan year 2024, the City will no longer charge employees a spousal surcharge.
 - 5) Eligible full-time employees (for plan year 2024 “full-time employees” are employees who work 30 or more hours per week) who waive or drop coverage will be eligible for an opt-out incentive, with a maximum yearly benefit of \$1,200. This amount would be paid directly to the employee in the last quarter of the calendar year for any month the full-time eligible employee is not on the Medical Benefit Plan.
 - 6) In all cases, employees are eligible for either the opt-out incentive or the HSA contribution as of the employee's January 1 election; not both.
 - 7) Effective January 1, 2024, all qualified employees will have a Dental Benefit Plan available. Effective for January 2024 coverage and thereafter the monthly premium equivalent rates for the City of Sheboygan Dental Plan for active employees are hereby adopted:

a) 2024 Dental Insurance Monthly Premium Rates

- i) The monthly premium for dental insurance in 2024 shall be as follows:

<u>Coverage</u>	
Single	\$ 47.52
Employee with spouse	\$ 95.88
Employee with children	\$ 107.14
Family	\$ 157.42

- ii) The monthly employee premium equivalent rates for full-time employees shall be:

<u>Coverage</u>	
Single	\$ 7.14
Employee with spouse	\$ 14.38
Employee with children	\$ 16.08
Family	\$ 23.62

iii) The monthly employee premium equivalent rates for part-time employees shall be:

<u>Coverage</u>	
Single	\$ 23.76
Employee with spouse	\$ 47.94
Employee with children	\$ 53.57
Family	\$ 78.71

9) Effective for January 2024 coverage and thereafter the monthly premium equivalent rates for the Medical Benefit Plan that will be charged to retirees not on Medicare shall be:

<u>Coverage</u>	
Single	\$ 914.90
Employee with spouse	\$1,740.56
Employee with children	\$1,577.78
Family	\$2,405.16

BE IT FURTHER RESOLVED: That said changes and rates shall not supercede the provisions contained within any applicable collective bargaining agreements.

PASSED AND ADOPTED BY THE CITY OF SHEBOYGAN COMMON COUNCIL

 Presiding Officer

Attest

 Ryan Sorenson, Mayor, City of Sheboygan

 Meredith DeBruin, City Clerk, City of Sheboygan