

Memo

To: Mayor McFarland & Finance Committee

From: Lisa Schwartz, Human Resources Generalist

Date: June 21, 2022

Re: ETF Income Continuation Insurance Agenda Item

Please find the following agenda item for your consideration and approval.

The City would like to expand our employee benefit offering to include Income Continuation Insurance, a program currently offered through Employee Trust Funds, for City employees. In the 2023 Local Employer training with ETF, organizations that participate in the Wisconsin Retirement System were notified of a premium holiday for employees and employers for this benefit of which Watertown qualifies.

The Income Continuation Insurance Program provides replacement income during periods of short-term and long-term disability. It provides up to 75 percent of an insured employee's WRS gross earnings. Benefits are normally ended at age 65.

The ICI plan is funded by employer and employee premium contributions. It is available to local government employees if their employer is enrolled in the ICI Program. The plan's third-party administrator, currently The Hartford, processes initial applications, manages claims, pays benefits and provides case management.

Pending the approval of the City Attorney, Finance Committee, and Common Council we would anticipate sending the resolution to ETF for approval with an effective date of January 1, 2024. Application collection will follow our employee benefit open enrollment period.

Further communication will be added to the employee handbook to update the benefits section with the new offering.

Please review and provide recommendation.