

City of Woonsocket Budget Commission

City Hall

169 Main Street

Woonsocket, RI 02895

AMENDED RESOLUTION REGARDING HEALTH AND DENTAL INSURANCE FOR NON-UNION NON CLASSIFIED AND NON-UNION CLASSIFIED EMPLOYEES AND RETIREES OF THE CITY OF WOONSOCKET

WHEREAS, the Woonsocket Budget Commission ("Budget Commission") is seeking to implement the Five-Year Deficit Reduction Plan ("5-Year Plan"), to avert insolvency and restore the City's fiscal integrity;

WHEREAS, two critical aspects of that 5-Year Plan are (a) replacement of existing health insurance with a City-wide health insurance plan (attached), and (b) reform of all ordinances, collective bargaining provisions and other rules so that only employees who are eligible for and take normal retirement on a pension will be eligible for health insurance;

NOW, THEREFORE, BE IT RESOLVED BY THE WOONSOCKET BUDGET COMMISSION THAT:

1. **Suspension**: The following provisions of the City ordinances attached as Exhibit 1 be suspended:

- a. "The city shall pay the cost of health and dental insurance, net of any employee premium share as described in Section 23 of the Personnel Ordinance, including family coverage where appropriate for its full-time permanent employees, including . . . (1) Mayor, Directors, Manager of Board of Canvassers, City Clerk and classified personnel." (Sec. 2-14.4(a)(1)).

- b. "Health and dental coverage for the Mayor, Directors, Manager of Board of Canvassers, and City Clerk shall be as provided for in the Professional and Technical Employees collective bargaining agreement, including provisions for co-payment." (Sec. 2-14.4(a)).
 - c. "The city shall pay the cost of health insurance for non-union non-classified retirees and spouses, provided that said non-union non-classified retirees shall have worked for the City for a minimum of ten (10) consecutive years upon the date of retirement." (Sec. 2-14.4(b)).
 - d. The reference to "health insurance" in section 2-14-4.1 shall be suspended, with all other provisions remaining the same.
2. **Health Care:** The following provisions shall apply to health care and post-retirement health care for Non-Union Non-Classified and Non-Union Classified employees.
- a. **Employees:** The City shall provide each non-union non-classified and non-union classified employee ("Employee") with individual or family health care coverage, as appropriate, in accordance with the City-wide health insurance plan, attached as Exhibit 2, as it may be amended from time to time. Effective July 1, 2013, each Employee shall pay 20% of the premium cost or working rate for health care coverage.
 - b. **Retirees Hired Prior to July 1, 2013 (Non-Medicare):** An employee who was hired prior to July 1, 2013, and who retires and receives a pension on or after July 1, 2013 with at least 25 years of service to the City of Woonsocket

("Retiree"), and who is not eligible for Medicare, shall be eligible to receive individual coverage only under the City-wide health insurance plan, as it may be amended from time to time, for up to a total of six (6) years or until age 65, whichever occurs sooner, provided that the Retiree pays 20% of the premium cost or working rate in advance of each month for which coverage is provided, subject to the proviso set forth below.

- i. An employee with at least twenty-five (25) years of continuous service to the City as of July 1, 2013, and who is eligible for normal retirement under the ERSRI will be eligible for health insurance in retirement while receiving a pension on the same terms as existed for those retiring on June 30, 2013, except that he or she will contribute 20% to the cost of health insurance, the plan of insurance shall be the same as is available to active employees at any given time, and no more than six (6) years of health insurance coverage will be provided before the employee becomes eligible for Medicare.
- c. Retirees Hired Prior to July 1, 2013 (Medicare): An employee who was hired prior to July 1, 2013, and who retires and receives a pension on or after July 1, 2013 with at least 25 years of service to the City of Woonsocket, and who is eligible for Medicare, shall be provided health care through Medicare Parts A and B, with an individual Medicare Supplement Insurance plan, or an alternative health insurance plan that provides additional coverage to Medicare Parts A and B at the same or lesser cost of the Medicare Supplement Insurance plan ("Medicare Supplement").

- i. The Retiree shall be responsible for making full payment of the monthly premium for Medicare Part B.
 - ii. The City shall pay 80% of the cost of the Medicare Supplement, and the Retiree shall pay 20% of the cost of the Medicare Supplement in advance of each month for which coverage is provided.
 - iii. The Retiree shall be responsible for making full payment for any prescription coverage if the Medicare Supplement does not include such coverage.
- d. Retirees Hired on or after July 1, 2013: An employee hired on or after July 1, 2013 shall be eligible after normal retirement with at least twenty-five (25) years of continuous service to the City of Woonsocket to receive individual coverage only under the City-wide health insurance plan, as it may be amended from time to time, for up to a total of six (6) years or until age 65, whichever occurs sooner, provided that the Retiree pays 50% of the premium cost or working rate in advance of each month for which coverage is provided. Upon eligibility for Medicare, the Retiree shall be provided health care through Medicare Parts A and B, with an individual Medicare Supplement Insurance plan, or an alternative health insurance plan that provides additional coverage to Medicare Parts A and B at the same or lesser cost of the Medicare Supplement Insurance plan ("Medicare Supplement").
- i. The Retiree shall be responsible for making full payment of the monthly premium for Medicare Part B.

- ii. The City shall pay 50% of the cost of the Medicare Supplement, and the Retiree shall pay 50% of the cost of the Medicare Supplement in advance of each month for which coverage is provided.
 - iii. The Retiree shall be responsible for making full payment for any prescription coverage if the Medicare Supplement does not include such coverage.
3. Dental Coverage: The City shall provide each non-union non-classified and non-union classified employee ("Employee"), and each non-union non-classified and non-union classified employee who retires and receives a pension on or after July 1, 2013 with at least 25 years of service to the City of Woonsocket ("Retiree"), with individual or family dental insurance coverage, in accordance with a City-wide plan, as it may be amended from time to time. Effective August 1, 2013, each Employee and Retiree shall pay 20% of the premium cost or working rate for this dental insurance in advance of each month for which coverage is provided.
4. Under no circumstances shall an elected Mayor receive post-retirement health insurance benefits.

This Amended Resolution shall take effect upon passage.

Approved:



Woonsocket Budget Commission Chair

Attest:



City Clerk