ORDINANCE NO. 1760

AN ORDINANCE AMENDING ORDINANCE NO. 1510 AND REPEALING ORDINANCE NO. 1691 KNOWN AS THE PERSONNEL RULES, POLICIES AND PROCEDURES ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAIRHOPE ALABAMA, as follows:

Section 1. The ordinance known as the Personnel Rules, Policies, and Procedures Ordinance (No. 1510), adopted 14 April 2014, together with the Personnel Handbook of the City of Fairhope, be and the same hereby is changed and altered in respect to the certain sections below:

Add the following to:

VI. Employee Benefits

Section 6.01. Health Insurance Benefits

The City values our employees and your health, so we will continue to provide healthcare, wellness coaching, and biometric screenings through the Symbol Clinic. There is no copay for office visits or generic prescriptions dispensed at the clinic; and employees are provided access to the Fairhope Symbol Clinic while they are on the clock, without loss of paid time off. With our Wellness Incentivized Program, the City asks employees and retirees to participate in a biometric screening during the first month their Blue Cross Blue Shield insurance is effective and each year in November or December. If no coaching is required then there will be no increase to their health premiums. Coaching is required for high risk employees and high risk retirees and if they are compliant with coaching there will be no increase in health premiums for the next year. If employees and retirees choose not to participate in the biometric screening within their first month of insurance effective date and each year in November or December, then the City will increase their insurance premium cost by \$50.00 per month/\$600.00 per year. If the employees or retirees participate in the biometric screening and is non-compliant with the required coaching for the remainder of the year, then their insurance premium will increase by \$50.00 per month/\$600.00 per year. The Wellness Incentivized Program will begin January 1, 2023.

Employees hired prior to October 1, 2017 (also known as "Grandfathered Employees")

Wellness Monthly Premium \$0

Non-Wellness Monthly Premium \$50.00

All employees hired on or after October 1, 2017, who choose to be covered under the City's health plan, may choose from two options:

1. Choose "Option I", which is the same health plan as current employees. Employee monthly contributions for Single and Family coverage (for all employees hired on or after October 1, 2017) for the "Option I" Plan will be:

Wellness Monthly Premium Single \$ 75.00 Family \$275.00 Non-Wellness Monthly Premium Single \$125.00 Family \$325.00 Ordinance No. 1760 Page -2-

Choose "Option II", which is a High Deductible Plan. See proposed contract labeled "Option II" for specific deductibles, copays, and benefits covered. Employee monthly contributions for Single and Family coverage for the "Option II" - High Deductible Plan will be:

Wellness Monthly Premium Single \$ 25.00 Family \$150.00

Non-Wellness Monthly Premium Single \$ 75.00 Family \$200.00

The City Council has the option to review the "single" and "family" employee contributions on an annual basis.

The Balance of Section 6.01 remain as written, published, and codified.

6.05 Health Insurance Benefits for Eligible Retirees

Employees hired prior to October 1, 2010, who are eligible for retirement from the City under the RSA Retirement Plan, and who are at least 55 years old or have at least 30 years of service with the City, may be eligible to continue the same group health insurance benefits as employees. The retired employee must pay 10% of the insurance premium each month. A retired employee will not be eligible for this group health care benefit if he or she is employed by another employer and is eligible for health care benefits from that employer. The retired employee's eligibility to continue the group health insurance after retirement shall terminate when the retired employee becomes eligible for coverage under Medicare. Upon retirement, the Human Resources Department will provide additional information on this RSA retiree benefit. See Section 6.01. Health Insurance Benefits regarding the City's Wellness Incentivized Program and the increase in insurance premium of \$50.00 per month/\$600.00 per year for non-compliance.

The sections, paragraphs, sentences, clauses and phrases of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared unconstitutional by a court of competent jurisdiction, then such ruling shall not affect any other paragraphs and sections, since the same would have been enacted by the municipality council without the incorporation of any such unconstitutional phrase, clause, sentence, paragraph or section.

This ordinance shall take effect October 1, 2017 and after the date of its approval by the City Council of Fairhope and publication as required by law.

Adopted this 24th Day of October, 2022

Attest:

Lisa A. Hanks, MMC

City Clerk

Adopted this 24th Day of October,