

**Resolution
By Glidden**

Adoption of a transition plan for the City to implement single employer, employee benefit plans effective January 1, 2015, and single-employer, self-insured medical plan commencing as early as January 1, 2015.

Whereas, the City has historically offered a fully insured medical plan to its employees; and

Whereas, for the past several years, the Benefits Subcommittee of the City-wide Labor Management Group has researched medical self-insurance and supports a self-insured single employer plan; and

Whereas, discussions have been held since 2013 with City leadership regarding the potential to move forward with medical self-insurance for plan year 2014 or following years; and

Whereas, the 2014 fully-insured medical plan design changes repositioned the medical plan for a self-insurance transition without further plan design changes; and

Whereas, the adoption of a self-insured medical plan is estimated to allow the City to avoid up to \$4.0 - \$4.5 million in premium taxes, assessments and carrier administration costs if executed for plan year 2015 (although implementing medical self-insurance will also increase certain other plan administrative costs); and

Whereas, the Youth Coordinating Board, the Municipal Building Commission and the Minneapolis Public Housing Authority currently participate in some or all of the City's employee benefit plans and utilize the city's administrative and payroll services; and

Whereas, the participation of multiple employers in a self-insured benefit plan requires compliance with Minnesota's self-insurance pool regulations; and

Whereas, the cost savings of a self-insured plan are substantially negated and administrative burden increased if the City adopts a self-insurance pool plan permitting the continued participation of the Youth Coordinating Board, the Municipal Building Commission and the Minneapolis Public Housing Authority; and

Whereas, the City Council finds it to be in the best interests of the City and the City's employees for the City to transition to a self-insured single employer medical plan;

Now, Therefore, Be It Resolved by the City Council of The City of Minneapolis:

That the City adopt single employer employee benefit plans for eligible City employees and their dependents beginning January 1, 2015.

Be it Further Resolved that that the proper City officers be and are hereby directed to take the steps and actions necessary to be able to implement a self-insured single employer medical plan to commence as early as January 1, 2015.

Be it Further Resolved that the proper City officers be directed to provide reasonable assistance to the Youth Coordinating Board, the Municipal Building Commission and the Minneapolis Public Housing Authority as they transition to their own employee benefit plans beginning January 1, 2015 and to work together to transition payroll administrative services at the appropriate time.