



Request for City Council Committee Action from the Department of Human Resources

Date: November 4, 2014

To: The Honorable City Council Vice President Elizabeth Glidden
Chair, Committee of the Whole

Referral to: City Council

Subject: Amendment to the City of Minneapolis Minneflex Plan

Recommendation:

Authorize the proper City officials to execute an amendment to the City of Minneapolis Minneflex Plan to allow the annual limit on pre-tax contributions to the health flexible spending account to increase with any cost of living adjustments assigned by the Internal Revenue Service.

Previous Directives:

Adoption of the City of Minneapolis Health Reimbursement Arrangement Plan, as Amended and Restated Plan Effective January 1, 2007. Adoption of First Amendment effective January 1, 2008, adoption of Second Amendment effective January 1, 2009, adoption of Third Amendment effective January 1, 2010, adoption of Fourth Amendment effective January 1, 2011, and adoption of Fifth Amendment effective January 1, 2013.

Department Information

Prepared by: Joyce Traver and Susan Trammell

Approved by: _____

Patience Ferguson
Chief Human Resource Officer

Spencer Cronk
City Coordinator

Presenters in Committee: Joyce Traver and Susan Trammell

Financial Impact

- No financial impact

Supporting Information

Effective January 1, 2013, the Affordable Care Act limited annual pre-tax contributions to health flexible spending accounts to \$2,500. The Internal Revenue Service recently announced 2015 cost of living adjustments that included increase in the maximum annual health flexible spending account contributions to \$2,550.

The recommended plan amendment would allow future health flexible spending account limits to increase automatically without the need for additional plan amendments.