



Request for City Council Committee Action From the Department of Police & Fire Departments

Date: July 22, 2003
To: PUBLIC SAFETY/REGULATORY SERVICES
Referral to: WAYS & MEANS/BUDGET COMMITTEE

Subject: Request to allow Risk Management & Claims to enact policies, rules and procedures, in coordination with the Fire, Police, and Human Resources Departments, and to accept applications and make decisions, pursuant to Minn. Stat. § 299A.465.

Recommendation

Authorize Risk Management & Claims to enact policies, rules and procedures in coordination with the Police, Fire, and Human Resources Departments, and to make decisions on applications that are submitted for post-employment continued health insurance benefits related to police officers and fire fighters who are disabled or killed in the line of duty.

Previous Directives

None

Prepared or Submitted by: Martin Rafferty, Manager, Administrative Services, Minneapolis Police Department (612) 673-3418, and James Clack, Staff Deputy Chief, Fire Department (612) 673-2688

Approved by:

Robert K. Olson, Chief, Minneapolis Police Department

Rocco Forte, Chief, Minneapolis Fire Department

Presenters in Committee: Greg Hestness, Deputy Police Chief; James Clack, Staff Deputy Fire Chief; Ellen Velasco-Thompson, Director, Risk Management & Claims; and Caroline Bachun, Assistant City Attorney.

Financial Impact (Check those that apply)

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain): An non-funded State MN mandate
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information Attached

Minn. Stat. § 299A.465 requires the City to continue health care insurance benefits for police officers and firefighters, and their spouses and dependents, when a police officer or firefighter suffers a disabling injury that: (1) results in the officer's or firefighter's retirement or separation from the City of Minneapolis; (2) occurs while the officer or firefighter is acting in the course and scope of duties as a police officer or firefighter; and (3) results in the officer's or firefighter's approval to receive the officer's or firefighter's duty-related disability pension. Continued health insurance benefits may also be provided to a spouse and dependents of a police officer or firefighter when the police officer or firefighter is killed in the line of duty. Under a continued health insurance coverage program, the City is responsible for the employer portion of the insurance premium and the State of Minnesota may reimburse, on an annual basis, some or all of the employer's portion paid by the City. Continued health insurance benefits will generally remain in force for a police officer, firefighter, spouse and dependents, until the police officer or firefighter (or spouse or dependent, when the officer or firefighter is killed) reaches the age of 65. For a dependent, the coverage will generally be in force until the police officer or firefighter (or dependent, when the officer or firefighter is killed) reaches the age of 65 or until the dependent ceases to be a dependent of the police officer or firefighter, whichever occurs first.

The City is responsible for receiving claim applications for continued health care coverage, processing those claims, and making determinations on who is eligible for the continued health care insurance coverage benefits. The City is also responsible for maintaining such coverage in existence for the time period required by Minn. Stat. § 299A.465.

A work team has been formed which includes department representatives from Fire, Police, Human Resources, the City Attorney's Office and Risk Management & Claims. Pension plans and practices by other municipalities have been reviewed, and Minnesota Attorney General opinions and HIPAA implications have been considered. The work team has developed the following: Policies and Procedures to be used by both the Police and Fire Departments; a City of Minneapolis Claim Form; a Question and Answer Guide; an Authorization for Release of Private Health Information form; and a process for application review and disputes.

Presently, the City is responsible for post-employment continued health insurance benefits for 3 police officers and 1 widow of a firefighter, with a combined annual City financial obligation (based on 2003 rates) of \$15,033.24 for the employer's portion of health care premiums pursuant to Minn. Stat. § 299A.465. Section 299A.465 has been in effect since 1997. Initially, the statute required that the State of Minnesota reimburse the City for the entire employer's portion of the continued health care premiums so that the City had no out-of-pocket expenses based on this statutory requirement. The statute was amended in 2003 so that the State of Minnesota would reimburse municipalities on a prorated basis once a year. Therefore, the extent of annual reimbursement will not be known until the state sends the reimbursement each year. The statute could be amended again in the future to reduce or eliminate the amount that the state reimburses the City for the employer portions of the continued health care insurance premiums.

4-607.01

**CONTINUED HEALTH INSURANCE COVERAGE TO OFFICERS
DISABLED OR KILLED IN THE LINE OF DUTY**

Police officers, who are killed in the line of duty, or who suffer a disabling injury in the scope of employment resulting in retirement or separation from service, may be eligible for continued health insurance coverage under Minn. Stat. § 299A.465.

An officer, or the representative or dependent, can obtain an application packet from the MPD Payroll Supervisor. The application must be signed by the claimant. Supporting documents must be included with the application, which may include, but are not limited to, the following documents:

- Legal documentation showing that the claimant, if other than the officer, is legally allowed to act on behalf of the officer.
- Medical Reports showing the nature of the disabling injury and the cause of the disabling injury.
- Letter or documentation from the pension plan demonstrating that the officer has been approved to receive a duty-related pension plan.
- Documentation from the City demonstrating that the disabling injury has been accepted as a workers' compensation injury.
- Marriage certificate for spouse.
- Birth certificates, adoption decrees , or legal guardianship documentation for dependant children (if they were covered under employee's health insurance at the time of injury/death).
- For dependant children at least 19 years old and under the age of 25, proof that the child is a full time student (a copy of the educational institution's enrollment record is acceptable).

Note: In case of a death in the Line of Duty, these additional documents are required:

- Certified copy of death certificate.
- An affidavit that provides proof that the spouse and decedent were legally married at the time of the officer's death.
- An affidavit that provides proof that decedent had custody or guardianship of all listed dependent children.

Once the application has been submitted by the employee or employee's representative or dependent, City staff will gather appropriate documentation, which may include:

- The Employment Verification form.
- Workers Comp First Report of Injury.
- Any other reports or statements that document work related status of the injury/incident.
- Any other document bearing on the eligibility for continued health care insurance coverage.

A copy of such documents will be provided to the claimant. MPD may also request that the officer submit to a medical and/or psychological examination by a health care provider of the City's choice to determine, among other things, the nature of the injury and whether the injury was incurred in the course and scope of employment with the City of Minneapolis.

The MPD Payroll Supervisor will assemble the packet and forward it to the Chief of the Minneapolis Police Department, or a designee, the Chief of the Minneapolis Fire Department, or a designee, and the Director of Risk Management, or a designee, for eligibility determination. If the application meets the eligibility criteria, the Department of Human Resources will be notified to process the continuing coverage.

If the application does not meet requirements for continued health insurance coverage, the claimant will be notified in writing, by certified mail, of the reason for the denial of such benefits.

Upon the receipt of notice of denial, the claimant will have 30 calendar days to submit a request for reconsideration of the denial. City staff may gather any other necessary documentation or request additional information from the claimant. The claimant will have the opportunity to make a verbal presentation to a committee consisting of: the City's Director of Risk Management & Claims, or designee; the Chief of MPD, or designee; and the Chief of Fire Department, or designee. An attorney from the Office of Minneapolis City Attorney may also be present as legal counsel to the committee. The determination of the committee on the request for reconsideration is the final determination by the City of Minneapolis with regard to the claim.

CONTINUED HEALTH INSURANCE COVERAGE TO SWORN FIREFIGHTERS DISABLED OR KILLED IN THE LINE OF DUTY

Sworn Firefighters, who are killed in the line of duty, or who suffer a disabling injury in the scope of employment resulting in retirement or separation from service, may be eligible for continued health insurance coverage under Minn. Stat. § 299A.465.

A sworn firefighter, or their representative or dependent, can obtain an application packet from the Staff Deputy Chief of Administration. The application must be signed by the claimant. Supporting documents must be included with the application, which may include, but are not limited to, the following documents:

- Legal documentation showing that the claimant, if other than the officer, is legally allowed to act on behalf of the firefighter.
- Medical Reports showing the nature of the disabling injury and the cause of the disabling injury.
- Letter or documentation from the pension plan demonstrating that the firefighter has been approved to receive a duty-related pension plan.
- Documentation from the City demonstrating that the disabling injury has been accepted as a workers' compensation injury.
- Marriage certificate for spouse.
- Birth certificates, adoption decrees, or legal guardianship documentation for dependant children (if they were covered under employee's health insurance at the time of injury/death).
- For dependant children at least 19 years old and under the age of 25, proof that the child is a full time student (a copy of the educational institution's enrollment record is acceptable).

Note: In case of a death in the Line of Duty, these additional documents are required:

- Certified copy of death certificate.
- An affidavit that provides proof that the spouse and decedent were legally married at the time of the firefighter's death.
- An affidavit that provides proof that decedent had custody or guardianship of all listed dependent children.

Once the application has been submitted by the employee or employee's representative or dependent, City staff will gather appropriate documentation, which may include:

- The Employment Verification form.
- Workers Comp First Report of Injury.
- Any other reports or statements that document work related status of the injury/incident.
- Any other document bearing on the eligibility for continued health care insurance coverage.

A copy of such documents will be provided to the claimant. The Fire Department may also request that the officer submit to a medical and/or psychological examination by a health care provider of the City's choice to determine, among other things, the nature of the injury and whether the injury was incurred in the course and scope of employment with the City of Minneapolis.

The Staff Deputy Chief of the Minneapolis Fire Department will assemble the packet and forward it to the Chief of the Minneapolis Police Department, or a designee, the Chief of the Minneapolis Fire Department, or a designee, and the Director of Risk Management, or a designee, for eligibility determination. If the application meets the eligibility criteria, the Department of Human Resources will be notified to process the continuing coverage.

If the application does not meet requirements for continued health insurance coverage, the claimant will be notified in writing, by certified mail, of the reason for the denial of such benefits.

Upon the receipt of notice of denial, the claimant will have 30 calendar days to submit a request for reconsideration of the denial. City staff may gather any other necessary documentation or request additional information from the claimant. The claimant will have the opportunity to make a verbal presentation to a committee consisting of: the City's Director of Risk Management & Claims, or designee; the Chief of MPD, or designee; and the Chief of Fire Department, or designee. An attorney from the Office of Minneapolis City Attorney may also be present as legal counsel to the committee. The determination of the committee on the request for reconsideration is the final determination by the City of Minneapolis with regard to the claim.