DATE: MARCH 20, 2006

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO #18: HEALTHCARE OPEN ENROLLMENT

This memo responds to Councilman Krupicka’s request for information on healthcare open enrollment and the impact of a change this year in health benefits. Open enrollment is usually held in the last two weeks of May, and goes into effect on July 1. Plan information is made available to employees when Personnel receives the relevant information to determine rate structure and plan design, after Council approves the budget. From a purely technical viewpoint (and not from an employee participatory viewpoint) changes in co-pays or premium cost sharing approved by Council for FY 2007 can be implemented in time for open enrollment this spring.