

## **Minutes of the Personnel Committee**

**Tuesday, July 20, 2010**

Chair Paulson called the meeting to order at 1:00 p.m.

**Present:** Supervisors Duane Paulson (Chair), Pete Gundrum, Kathy Chiaverotti, and Jim Heinrich. Paul Decker arrived at 1:08 p.m. **Absent:** Steve Wimmer and Gilbert Yerke.

**Also Present:** Chief of Staff Mark Mader, Human Resources Manager Jim Richter, Principal Human Resources Analyst Terri Sgarlata-Lutz, and Legislative Associate Mary Pedersen.

### **Approve Minutes of 6-15-10**

MOTION: Heinrich moved, second by Gundrum to approve the minutes of June 15. Motion carried 4-0.

### **Schedule Next Meeting Dates**

- August 17

### **Chair's Executive Committee Report of 7-19-10**

Paulson highlighted the last Executive Committee meeting.

- Approved the location of the new Health & Human Services building.
- Heard an update on information technology projects.
- Approved various ordinances and appointments.

### **State Legislative Update**

Mader noted that the Ethan Allen juvenile correctional facility is still at risk of closing.

Paul Decker arrived at 1:08 p.m.

### **Ordinance 165-O-035: Ratification Of The 2010 – 2011 AFSCME Master Collective Bargaining Agreement**

Richter was present to explain this ordinance including changes to the contract language and personnel policy, employee benefits, and classification and compensation. This ordinance covers about 450 employees, the County's largest bargaining unit. A voluntary settlement was made between the County and the Union which was subsequently voted on and approved.

Upon approval by the County Board, effective 1/1/2011, the Point of Service Health Plan will be modified as follows: increase out-of-network deductible from \$200 single/\$600 family to \$450 single/\$1,350 family; modify the prescription drug co pay from \$10/\$15-\$25-\$100 to \$10-\$25-\$40-\$100; an across-the-board increase of 1% will be applied to the 2009 rates of pay effective 1/2/10 and 1.5% will be applied to the 2010 rates of pay effective 1/1/11. Other changes affect the funeral leave provision, sick leave language, leave by union officials for union training; and Building Service Workers I and II positions. The net County costs for the wage increases will result in an additional \$180,937 for 2010 and \$196,118 for 2011.

Heinrich and Decker said while they supported the ordinance, they have heard from constituents who feel County employees should pay more towards their health insurance plan.

MOTION: Heinrich moved, second by Chiaverotti to approve Ordinance 165-O-035. Motion carried 5-0.

### **Overview of the 2011 Bargaining Schedule and Process**

Richter distributed copies of "Summary of Waukesha County Collective Bargaining Process and Timeline." Richter said all union contracts, with the exception of the AFSCME Master Unit (above), are expiring at the end of this year whereby the bargaining process will again begin. There are 947 union employees in Waukesha County including 425 in the AFSCME Master Unit. Richter advised that union demands are due to the County by August 1 and County demands are due to the Union by September 1. Bargaining sessions will commence October through December. Richter said if a voluntary settlement can be reached, it usually takes only four or five meetings. Regular status reports on the bargaining process are made to the Personnel Committee. Ordinances to approve contract settlements come before the Personnel and Finance committees and then to the full County Board.

Gundrum asked for information pertaining to eliminated positions within the last five years and how much money has been saved. Richter said he would work on this. Paulson asked for information on insurance and premium co-pays and a list of wages for those employees in the Master Unit.

### **Update on the Health Insurance RFP**

Richter distributed copies of "Update on Group Health Insurance Program Request for Proposal Process." Richter said one of our biggest budget drivers is health insurance. In 1993, we moved away from Blue Cross/Blue Shield and went with United Healthcare as the County's third party administrator (TPA). Waukesha County is self-funded and uses a TPA to provide program services.

With the aid of a consultant, Willis HRH, an RFP for the County's group health insurance program was recently completed. Four dominant health insurance carriers/administrators in the greater Milwaukee area participated in the RFP process: Anthem (formerly Blue Cross/Blue Shield), Humana (National POS), Humana (Business Health Care Group), and United Healthcare. Ultimately, the contract was awarded to United Healthcare, the highest rated proposer. Willis HRH entered into contract negotiations with United Healthcare and was successful in achieving an additional \$75,000 reduction in our annual claims administration fees. Over the term of the contract, this will result in a savings of over \$200,000.

### **Update on Human Resources Project to Look at Retiree Health Insurance (Medicare Advantage)**

Richter distributed copies of "Update on Retiree Medicare Advantage Health Insurance Plan Option." In mid-2000, retirees were separated from the active employees' health insurance plan and it was decided that retirees would be charged for a separate plan and charged the full cost. Efforts have been ongoing to keep costs down although plan premiums have increased by 70% over the past two years. This plan is through Humana and covers about 218 retired employees.

Richter advised they are currently evaluating the competing group of Medicare Advantage Plans marketed in our service area including Humana, United Healthcare, and Anthem (formerly Blue

Cross/Blue Shield). The focus will be on premium costs, out-of-pocket medical and drug expense limits, and provider networks. The Retiree Health Insurance Advisory Committee will be invited to provide input and assistance during this evaluation process. Richter said he hopes to have this process done by early October, in time for the open enrollment process.

**Review Revisions to the Personnel Policies and Procedures: Position Classification and Employment Status; Operating Budget**

Sgarlata-Lutz and Richter were present to review the changes to the above-mentioned Personnel Policies and Procedures. No major concerns were voiced.

**Future Agenda Item**

- Review Cost Savings Due to Eliminated Positions Over the Last Five Years (Gundrum)

MOTION: Heinrich moved, second by Gundrum to adjourn at 2:20 p.m. Motion carried 5-0.

Respectfully submitted,

Gilbert W. Yerke  
Secretary