ATTACHMENTS

III

4.6

Res. No. 88 - 14 - 15. By Alderperson Donohue. November 3, 2014.

A RESOLUTION approving certain Human Resource Department procedures.

RESOLVED: That the Common Council hereby approves Procedures HR101-2014 and HR105, copies of which are attached hereto.

Sal & Gill

Mylynne Donohue

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

1.0 **Purpose**

The purpose of this policy is to give a general overview of benefits available to both full-time and part-time non-represented employees who hold regular, permanent positions (i.e., positions that are not temporary or short-term in nature). This is a summary of benefits only and does not include all plan provisions, exclusions, and limitations relating to coverage. Please refer to the applicable Certificate of Coverage. If differences exist between this summary and your Certificate of Coverage, the Certificate of Coverage will govern.

2.0 **Scope**

This policy applies to non-represented regular, permanent employees of the City of Sheboygan.

3.0 **Benefits**

3.1 Direct Deposit

All non-represented employees shall be required to have direct deposit. Employees may utilize up to 3 financial institutions for direct deposit options.

3.2 Health Insurance

In 2014, UMR is the plan administrator. The medical insurance utilizes a traditional plan design which includes a $750 single deductible and $1,500 family deductible. Office visit copays ($30/primary and $50/ specialty) are not subject to deductible. Employee and/or family are responsible for 100% of the deductible.

a) Premium Contribution

The full-time employee premium contribution for 2014 is 15%; employees who participate in the Health Risk Assessment prior to the new year will receive a 3% reduction in premium contribution (12%). As of January 1, 2014, the single employee premium is $737 per month and $1,731.40 per month for family coverage.

Monthly Single Premium Amount	FT Employee Costs/month	PT Employee Costs per month
$737.00	$110.55 (15%)	$368.50 (50%)*
$737.00	$88.44 (12%) w/HRA	

Monthly Family Premium Amount	FT Employee Costs/month	PT Employee Costs per month
$1,731.40	$259.71 (15%)	$865.70 (50%)*
$1,731.40	$207.77 (12%) w/HRA	

* Part-time employees pay 50% of the premium, regardless of participation in the Health Risk Assessment

b) Opt-out Credit

Full-time employees who leave the plan or opt-out of coverage will receive an opt-out credit in December of the plan year in which they opt-out. Full-year opt-out employees will receive a $1,200 credit. Partial-year opt-out will receive credit for each month off the plan. This is a taxable benefit.

c) In-Health Clinic (County Clinic)

City of Sheboygan medical insurance participants are eligible to visit the In-Health Clinic (County Clinic) run by Interra Health.

a) Nurse Practitioner: There is no co-pay for employees and/or their dependents on the plan to utilize the Nurse Practitioner available at the clinic.

b) Chiropractic Care: This service is also available, although some costs may apply when utilizing this care. There is no co-pay for the first 10 visits every 6 months in the plan year. Starting with the 11th visit per employee/eligible dependent from January to the end of June, a $10 co-pay per visit applies. This schedule starts over July 1 through December 31.

d) Spousal Surcharge

In an effort to continue to offer a respectable health insurance plan to our employees and their families, the City encourages working spouses who are eligible for health insurance under their own employer to take that insurance rather than be on the City's insurance. Accordingly, employees with working spouses who continue coverage under the City's Health Insurance Plan will be assessed an

additional $50 per month. Those who do not have a spouse on the family plan or whose spouse is not employed full-time must complete a form to waive the surcharge.

e) Voluntary Group Medicare Supplement Insurance for Retirees
Retirees and/or their spouses transitioning to Medicare are able to elect this Voluntary Group Medicare Supplement Plan. In 2014, United Health Care is the provider of benefits. See the Human Resources Department for details.

3.3 Dental Insurance

Delta Dental is the 2014 provider of benefits. Employer-sponsored dental insurance is available to qualified full and part-time employees. The plan includes a $25 per participant deductible ($75 family), $1,500 lifetime orthodontic, 100% coverage for diagnostic, preventive, sealants to age 14 (on molar teeth only); and most service 80/20%:

Total Single Costs	Full-Time Employee Costs per month	Part-Time Employee Costs per month
$42.54	$6.38 (15%)	$21.27 (50%)
Total Family Costs	**Full-Time Employee Costs per month**	**Part-Time Employee Costs per month**
$120.92	$18.13 (15%)	$60.46 (50%)

3.4 Group Life Insurance

After completion of the qualifying period, the City provides eligible employees with the Wisconsin Group Life Insurance Plan equal to one-times an employee's annual salary. Premiums for basic coverage are paid 50% by the City and 50% by the employee. Additional coverage available for spouse and/or children.

3.5 Paid Time Off (PTO)

Permanent employees, both part-time and full-time, will be eligible for paid time off. There are 3 types of PTO: Holiday, Vacation and Discretionary (Personal). (Employees hired prior to 2012 may have a sick bank account. Please see the HR 105 PTO Policy regarding the use of sick bank.) Regular, permanent, part-time employees earn a prorated amount of PTO based on either the average number of productive hours worked the previous year (if the employee was in a part-time position), or in the event the employee transfers from full-time to part-time, the pro-rated PTO will be based on the average hours scheduled per day in the new position. Length of employment will be used in calculation of PTO and Vacation. For example, if an employee is in their 8th year of employment but transitions from full-time to part-time working 20 hours per week, that employee will be paid 4 hours each holiday and will be eligible for 50% of the 8-year employee vacation schedule (60 hours of vacation) and 40 hours of discretionary PTO.

a) **Holidays**

There is no waiting period for holiday pay eligibility. New qualified employees are eligible for holiday pay upon hire. Full-time employees who are actively employed during a holiday (not out on a leave of absence, sick leave, or short term disability) will receive 8 hours of holiday pay for the designated holiday. Part-time employees will receive a prorated amount of holiday pay based on either the amount of productive hours actually worked the previous year (if part-time the previous year) or the average scheduled projected hours worked divided by a 40-hour work week. This PTO is not a "vested" benefit. It is earned by an employee working the day before and after the holiday. If an employee is on vacation the day before or after, the employee must be at work their last scheduled day before the vacation. The 10 holidays observed are*:

New Years Day	Labor Day	Christmas Eve
Friday before Easter	Thanksgiving Day	Christmas Day
Memorial Day	Day After Thanksgiving	New Year's Eve
Independence Day		

* Observed holidays will typically be recognized on the actual holiday. However, the observed day may be modified if appropriate and approved by City administration.

b) **Discretionary / Personal PTO**

Discretionary Paid Time Off (DPTO) is provided for employees to take care of personal business or tend to the unplanned issues that happen in life, including sicknesses, bereavement, etc. Existing full-time employees are eligible for up to 80 hours of discretionary time per year (pro-rated for part-time). New employees are eligible for this benefit after 3 months of employment.

DPTO is not a vested benefit. It is issued in January but is "earned" through time worked in the current year. Every month an employee works, the employee earns 1/10th of their eligible DPTO. (Vacation taken during the month does count towards the completion of that month for calculating eligible DPTO.) If a full-time employee works from January – October, without a leave, that employee will earn all 80 hours of DPTO. However, if a person uses more DPTO than they have earned, they would need to refund the amount of the overage, or the amount will be deducted from their final paycheck or the last payroll of the year.

Absences must be coordinated with Supervisor approval where possible/practical to allow for continued departmental operations. Time may be taken in a minimum of 1 hour increments. Time not used in the calendar year is forfeited. Unused, earned DPTO is not paid out upon resignation.

Prorated PTO Schedule

Hired	Eligible after 3 months	Eligible the following January 1
January – March 31:	32 Discretionary Hours	40 Discretionary Hours
April 1 – June 30:	16 Discretionary Hours	40 Discretionary Hours
July 1 – Sep 30:	8 Discretionary Hours	40 Discretionary Hours
Oct 1 – Dec 31:	0 Discretionary Hours	40 hours upon reaching

c.) **Vacation PTO**

Vacation PTO is an earned benefit. New employees are not eligible for vacation upon hire; rather, they earn vacation in the current year to be taken in the next year, provided they are actively employed on or after January 1 of the next year. Employees who have actively worked in the current year and leave employment in good faith (providing 2-week notice, for example) may be issued pay for all earned but unused vacation they became eligible for in the year in which they leave active employment.

The vacation schedule on January 1 of each year is as follows:

New full-time employees with less than 1 year of service on January 1 are eligible for the following pro-rated vacation time as of January 1:

Hired the previous	Eligible on the following January 1
January 1 – March 31	40 Vacation Hours
April 1 – June 30	28 Vacation Hours
July 1 – Sept 30	16 Vacation Hours
October 1 – December 31	0 Vacation Hours

Employees with 1 full year of service or more as of January 1 are eligible for the following:

1 – 4 years:	80 Hours
5 – 12 years:	120 Hours
13 – 20 years:	160 Hours
21 + years:	200 Hours

When an employee's employment anniversary is achieved mid-year, the employee will be credited with the additional vacation credit in January of the year in which an anniversary falls.

Vacation must be used during the calendar year or it will be forfeited. On rare circumstances, it may be necessary for a person to carry over up to 40 hours of vacation to the next calendar year. This must be approved by the Department Head by December 15.

Vacation requires supervisor approval and may be taken in 4 or 8 hour increments.

PTO for 24-Hour Battalion Chiefs of the Fire Department
Due to the nature of the position and hours worked, Battalion Chiefs have a separate schedule.

Vacation PTO

1 year – 4 years:	144 hours (6 days)
5 – 12 years:	216 hours (9 days)
13 – 20 years:	288 hours (12 days)
21 +:	336 hours (14 days)

Discretionary PTO
New employees: Prorated (Battalion Chiefs are generally promoted from within)
Current employees: 96 hours (4 – 24 hour days)

3.6 Voluntary Short-term and Long-Term Disability / Family Medical Leave (FML)
Short and Long-Term disability Insurance is available on a voluntary basis to provide pay-continuation in the event of an extended illness. Family Medical Leave is available to qualified employees as well. FML and Short Term Disability run concurrent to each other. Active employees who go out on a disability may need to utilize available PTO. Once that PTO is exhausted, the employee will be unpaid during the disability. While Family Medical Leave protects an employee's position for 12 weeks, the City of Sheboygan will hold a person's employment status open for 26 weeks (6 months). Once an employee is out beyond 26 weeks, they will be placed on inactive employment status (active employment termination) and the position they hold may be forfeited, filled with another employee or a new employee may be hired. If the terminated employee receives a return to work authorization releasing him/her return to work, the employee may reapply for an open position, but there is no guarantee they will be able to return to their previous position and/or be offered a return to employment.

3.7 Voluntary Vision Insurance
Though eye exams are covered in the medical insurance plan, this insurance is available to help pay for the cost of glasses, contacts, and other vision products.

3.8 Voluntary Accident / Critical Illness Insurance
2014 is the first year this product has been introduced. UHC is the provider. This product is offered to cover hidden costs related to accidents and critical illnesses. This voluntary product is available to assist in expenses related to those hidden costs (cost of lost time from work, deductibles, copays, etc.).

3.9 Mileage
Mileage is paid to employees who use their personal vehicles to perform work-related activities. The City of Sheboygan reimburses at the IRS mileage rate.

3.10 Uniform Allowance
Employees who are required to wear special clothing or use special equipment for their work will receive an allowance as follows:

a) Uniform Allowance: $100 yearly
b) Safety Shoes/Boots/Equipment: $100 yearly
c) Glasses with safety lens / frame $ 50 once every two years

3.11 Overtime Pay
Employees working over 40 hours in a week are eligible to receive time and one-half pay for hours worked over 40. PTO time taken/paid does not count in the calculation of time worked for overtime pay purposes. With supervisor approval, employees may flex their time during the same workweek to maintain the 40 hour schedule.

3.12 Parking
City employees will receive employer paid parking, either a specific parking location or a parking lot. Paid parking is not available for Library employees.

3.13 Jury Duty

Employees who are subpoenaed and serve on jury duty on an involuntary basis on any days which are scheduled workdays for them shall be excused for the time spent in jury service and shall receive their regular rate of pay (no greater than 8 hours of pay for each full day served) for said time served on jury duty, not to exceed sixty (60) days per calendar year, subject to the following provisions:

(a) The employee must present proof of jury duty service, stating the dates and hours per day served on jury duty.

(b) The employee shall immediately endorse his/her check for such jury service over to the human resources/payroll department.

(c) When the employee is excused for jury service, the employee shall report back to work within one hour to complete his/her shift unless the employee choses to utilize paid time off for the absence.

3.14 Shift Premium

Employees whose normal work schedule is 2nd or 3rd shift will receive a shift premium of 35 cents per hour for 2nd shift and 45 cents per hour for 3rd shift. 1st shift employees who work up to 4 hours at the beginning or ending of their normal shift do not qualify for a shift premium if that overtime is an extension or continuation of their shift. If an employee left work and are called back to work or were called in greater than 4 hours prior to the start of their shift, that employee would qualify for a shift premium (i.e., a few extra hours either before or after a normal shift generally do not qualify for the shift premium as the primary schedule is first shift).

First shift is generally considered "day shift". The starting hour of first shift depends on the department a person works. An employee whose primary hours are in the afternoon and early evening is considered "2nd shift". An employee whose primary hours start in the late evening and continue throughout the early morning hours is considered to be on 3rd shift.

3.15 Wisconsin Retirement System (WRS)

Employment with the City of Sheboygan may qualify an employee to participate in the Wisconsin Retirement System. The 2014 WRS contribution rate for general class employees is 14% which is split 50/50 with the City of Sheboygan contributing one half (50%) of the contribution rate and the employee contributing the second half (non-rep protected service personnel may have a different rate. Please see HR if applicable).

3.16 Severance/Termination Pay at Retirement, Death, Layoff without Cause, and Termination

Employees leaving in good faith may qualify for a severance payout. In the event of an employee's retirement, resignation with notice, termination without cause or layoff, the employee qualifies for all unused vacation the year in which the employee becomes inactive. Upon death, the employee's beneficiary/estate will be issued a severance payout in accordance with state/federal requirements. Those who quit while a disciplinary action is being performed, are terminated for willful misconduct, or fail to provide 2 weeks resignation will not be eligible for a severance payout. Discretionary PTO cannot be included in the 2-week resignation notification and will not be paid out. The term "retirement" as used herein shall mean the employee must be retired under the Wisconsin Retirement System and has applied for and will be or is receiving monthly annuity payments immediately after the retirement date.

a) Vacation Severance

All earned and unused vacation a person became eligible for on January 1st of the year in which their employment is terminated will be paid out.

b) Sick Bank Account

Prior to January 1, 2012, employees were eligible to earn sick time and bank the time for future use. This paid time off eligibility discontinued as of January 1, 2012 (replaced with Discretionary PTO), but those who had earned time off were able to keep it and use it in the event of a disability. (Employees unable to return to work after the exhaustion of their sick bank account or after 6 months would lose their active employment status and their employment would be terminated.) A value of the bank was assigned by calculating the amount of hours earned by the hourly pay as of December 31, 2011. As employees received pay increases over time, the "value" of the bank remained the same, though the hours were adjusted based on any pay increases.

Upon a qualified retirement (WRS eligibility requirements), employees with a balance in their sick bank account are eligible to receive a portion of the account to either use towards the cost of post-employment medical insurance premiums or a cash payout of 50% of the maximum qualified value. The maximum eligible amount an employee "qualifies" for depends on the employee/union group the employee was part of as of December 31, 2011:

As of December 31, 2011 And Upon Retirement	Qualified Value Available For Retiree Medical or COBRA Med Insurance	Eligible Payout Value
Non-Rep Employees:	Up to 572/2 Sick Bank hours = Max Value	50% of Max Value
AFSCME (DPW) & City Hall:	Up to 672 Sick Bank hours = Max Value	50% of Max Value
Professionals:	Up to 640 Sick Bank Hours = Max Value	50% of Max Value

Example: DPW Employee/City Hall Employee
A long-term DPW employee decides to retire. He was hired in 1980 (employees hired before 1978 do not have their bank divided by 2). On December 31, 2011, this employee made $17.86 per hour and he had 972 hours in his Sick Bank. The value of his Sick Bank $17,359.92 as of December 31, 2011, and he has not used time from the bank since then. Upon actual retirement (WRS eligible, receiving an annuity), he has the ability receive a portion of that bank in one of two ways:

Option 1: ***Qualified Portion applied to COBRA medical insurance continuation***
The retiring employee may apply the qualified portion of his Sick Bank to apply towards the medical insurance election (COBRA). (This money is not available for dental or other COBRA benefits.) This employee's ***Qualified Max Value*** is 672/2 hours x $17.86 or $6,000.96.

Option 2: ***Qualified Portion 50% Payout***
The retiring employee may choose to receive a lump-sum payout equal to 50% of his ***qualified portion of the max value***. His *qualified* Maximum Value payout is $3,000.48.

c) Good Attendance Bonus
Tier I and II employees (non-rep employees as of December 31, 2011) may have earned a value based on their good attendance. Employees may use the value to pay for medical insurance premiums if the employee elects to remain on the City's medical insurance program. There is no cash payout of this value if the employee leaves the City's medical insurance plan. The value of the bonus will be based on the employee's base hourly rate as of December 31, 2011.

3.17 Post-Employment Health Insurance Plan / Surviving Spouse

Non-represented employees qualify for continuation of coverage in health and dental insurance. Due to the changes in benefits over time, some employees may have grandfathered benefits. For reference purposes, there are 3 classifications employees may fall into relating to post-employment health insurance:

Class / Tier I

WRS vested employees who, as of December 31, 2011, were retirement eligible but chose not to retire prior to December 31, 2011. Tier I employees will retain the benefit as-is; that is, these employees will be eligible to continue on the City's medical insurance upon retirement after December 31, 2011. As of December 31, 2011, Tier I employees achieved at least 15 years of service with the City of Sheboygan, with at least 5 years as a non-represented employee, and had reached retirement age according to WRS retirement eligibility (55 for non-protective services and age 50 for protected services) on or before December 31, 2011. In all categories, if spouse becomes Medicare eligible, Medicare must be primary:

Benefit:

Exempt Employee*:

Eligible to continue on the City's employees medical insurance plan for up to 10 years.
Single Continuation of Coverage: Paid 100% by the City
Family Continuation of Coverage: Paid 60% by the City

Non-Exempt Employee*:

Eligible to continue on the City's employees medical insurance plan for up to 5 years.
Single Continuation of Coverage: Paid 100% by the City
Family Continuation of Coverage: Paid 60% by the City

Class / Tier II

Non-represented employees as of December 31, 2011 (employee was not in a bargaining unit) who did **not** meet eligibility for retirement under WRS guidelines as of December 31, 2011. Upon retirement, providing an employee in this group achieves at least 15 years of service as a non-represented employee and retires from an exempt position, the employee is eligible to remain on the health insurance plan for 5 years post-retirement. A non-exempt employee who has been a non-rep for at least 15 years is eligible to remain on the health insurance plan for 2.5 years post-retirement. Premium payment in either situation is 50% City funded and 50% employee funded for either Single or Family coverage until either the retired employee or spouse becomes Medicare eligible.

Class / Tier III

All new employees hired on or after January 1, 2012, and employees hired before January 1, 2012 who were covered under an employment contract prior to January 1, 2012 are qualified for COBRA continuation of coverage. COBRA is available for 18 months following the last day of the month in which an employee retires or terminates employment.

Surviving Spouse

In the event an active employee dies, the surviving spouse may remain on the City of Sheboygan Health Insurance Plan. The spouse would be responsible for 100% of the premium contribution. In the case of death of a retired employee in Class I or Class II, the spouse would be eligible to continue on the City of Sheboygan health insurance plan until the spouse becomes eligible for health insurance through his/her own employer, by marriage, or becomes Medicare eligible. The surviving spouse would be responsible for the same premium contribution. In the case of death of a retired employee in Class III, the spouse may be eligible for an additional COBRA benefits, following federal guidelines.

1.0 **Purpose**

The purpose of this procedure is to describe the conditions under which an employee will be granted paid time off (PTO) for discretionary, vacation and sick day bank and conditions under which PTO time/pay may be forfeited.

2.0 **Scope**

This policy applies to all non-represented City of Sheboygan employees.

3.0 **Procedure**

The amount of paid time off an employee is eligible for is based on length of continuous service as of January 1 of each year and is granted as of January 1 of each year. Newly hired employees or those switching from part-time to full-time will be eligible for a prorated amount of PTO. Vacation PTO is earned in one year and available to be used the next year, which makes this benefit vested. Discretionary PTO is not a vested benefit. When calculating eligibility for Discretionary PTO, an employee's hire-date the previous year is used to calculate the eligibility as of January 1. Depending on an employee's start-date during the year, permanent, full-time employees may be eligible for a prorated amount of Discretionary PTO after they have completed 3 calendar months of employment. For employees with greater than one year of employment, PTO is available starting on the first available workday of the calendar year. The PTO Schedule on January 1 is as follows:

	Total PTO	Vacation	Holiday	Discretionary
< 1 Year	Prorated	See Schedule	80 hours	See Schedule
Years 1 – 4	240 hours	80 hours	80 hours	80 hours
Years 5 – 12	280 hours	120 hours	80 hours	80 hours
Years 13 – 20	320 hours	160 hours	80 hours	80 hours
Years 21 +	360 hours	200 hours	80 hours	80 hours

When an employment anniversary "milestone" falls during the year (an employee's 5th, 13th, and 21st year of employment), the employee is credited for the anniversary on January 1 prior to the anniversary actually occurring (with the exception of new employees or returning employees with less than one year of service on January 1).

4.0 **Paid Time Off Categories**

There are 4 different types of PTO: Holiday, Vacation, Discretionary, and for some, Sick Bank

4.1 Holiday

This is not a vested benefit. Employees earn holiday pay when the holiday occurs, providing the employee is actively working (not on a leave of absence) when the holiday occurs. Full-time employees with a traditional weekly schedule (5 – 8 hour days) must use holiday pay in 8-hour (or the amount of time the part-time employee normally works) increments on the City designated holiday. This benefit is available to all full-time employees starting on the first day of employment. Non-represented employees with non-traditional schedules and part-time employees should see their supervisor regarding the application of this PTO relating to their schedule.

4.2 Vacation

This is a vested benefit. Time worked in one year earns vacation time the following year. The schedule of allowable vacation is prorated for new employees and those transferring from part-time to full-time status.

a) A full-time employee who has no leave of absence or missed work time the previous year will receive the full amount of vacation applicable with their years-of-service.
b) A full-time employee who missed work the previous year with a leave of absence may receive a reduced amount of vested paid time off, depending on the length of the leave. The amount of productive hours worked the previous year is used to calculate the eligible amount of VPTO.

c) Family Medical Leave: Time off for qualified FML hours may affect reduce the amount of eligible vacation the following year, but will not affect the employees start-date or years of credited service. This means the employee will be eligible for the schedule of benefits (number of hours based on their start-date), regardless of their time off while on FML. However, the vesting might be affected, depending on the length of time that employee is out on FML.

d) An employee transitioning from part-time in one calendar year to fulltime the next calendar year will have their vacation pro-rated using the actual hours worked (not including vacation, holiday or sick day pay) the previous year divided by 2080, the average hours worked by a full-time employee). Employees are eligible to use their vacation beginning on the first calendar day of the year. Those with less than one year of employment may be eligible for a prorated amount of vacation (see schedule below).

e) New full-time employees are eligible for the following pro-rated vacation time as of January 1:

Hired the previous	Eligible on the following January 1
January 1 – March 31	40 Vacation Hours
April 1 – June 30	28 Vacation Hours
July 1 – Sept 30	16 Vacation Hours
October 1 – December 31	0 Vacation Hours

f) Vacation must be used in either 4 or 8 hour increments. In the event the vacation balance is less than 4 hours, the remaining amount should be taken in one lump sum to deplete the account balance to zero.

4.3 Discretionary (DPTO)

Discretionary PTO is not a vested benefit. Regardless of an employee's tenure with the City, unused DPTO will not be paid out. In addition, although DPTO may be issued on January 1, it is earned by an employee through that employee's active employment at work ("productive hours"). Vacation taken during the month is counted as credit towards the month of work. Unpaid leave, unearned DPTO, or sick leave does not count towards credit. Each full month of active employment, the employee earns 10% of their eligible amount of DPTO, up to the maximum qualifying amount for that employee.

For example: If an employee is issued 80 hours of DPTO on January 1 but subsequently quits employment January 20, that employee would not be eligible for DPTO. If DPTO was taken prior to January 20, the amount paid would be removed from the employee's final pay check. If that employee terminates July 1, the employee would have completed 6 full months of active employment and would be eligible for 60% of their 80 hours of DPTO or 48 hours. If that employee only used 40 hours, the additional 8 hours is forfeited. If that employee used 80 hours, 32 hours would need to be held from that employee's final pay check.

a) Full-time employees with greater than one year of full-time service as of January 1 are eligible for 80 hours of DPTO. Part-time employees will be eligible for a prorated amount of discretionary time as of January 1, whether they continue their part-time position or transition to full-time. Those who transition to full-time will receive the greater amount of either their pro-rated discretionary time or the prorated schedule below. New full-time employees may be eligible for a prorated amount of DPTO during their first year of employment upon completion of 90 days of continuous employment (see schedule below).

Hired	Eligible after 3 months	Eligible the following January 1
Jan 1 – March 31:	32 Discretionary Hours	40 Discretionary Hours
April 1 – June 30:	16 Discretionary Hours	40 Discretionary Hours
July 1 – Sep 30:	8 Discretionary Hours	40 Discretionary Hours
Oct 1 – Dec 31:	* See note below	0 Discretionary Hours

** 40 discretionary hours (eligible after 3 months of employment) will be issued on day 91 of employment, not on January 1 following date of hire*

b) Discretionary PTO may be used in hourly or daily increments (whole hours only).

4.4 Sick Bank

Prior to 2012, some employees earned sick time to use in the future. This benefit was discontinued as of December 31, 2011. However, employees with a remaining benefit were given a "Sick Day Bank" account; hours earned in previous years were converted to a dollar amount which may be used as follows:

a) Employee with qualified "Disability" (doctor certified)

1. If employee elected STD (Short Term Disability), Vacation or Discretionary PTO use is not required. Employee may use Sick Bank immediately and throughout the continued time off on disability. Sick Bank must be exhausted prior to STD insurance payments beginning.*

2. If an employee did not elect STD, all DPTO and all but 80 hours VPTO must be used before taking Sick Bank. If the employee's disability also qualifies for Family Medical Leave (FML), since the first 2 weeks are considered Wisconsin FML, the employee has the right to choose their sick day banked time for the first 2 two weeks. After 2 weeks, Federal FML starts and the City then reverts to the rule listed above in that all DPTO and all but 80 hours of VPTO should be used before the employee returns to the use of their Sick Bank.

   * When employee has the choice to take Sick Bank or their current year vacation and DPTO, it is recommended that the employee use all available PTO time first, as neither VAC or DISC can be carried into the next calendar year if the employee has a "chance" to use their PTO. Therefore, employees are encouraged to use PTO or risk forfeiting it.

b) Employees who have minor (non-qualified) sicknesses

1. If an employee calls in for a single day absence (employee has the flu, for example), that employee must use any available VPTO or DPTO. Once a person utilized all their PTO, if there is remaining time in the Sick Bank, the employee may begin to use that time for single day absences for minor sicknesses such as the flu. Absences of 3 days or greater may require a physician's excuse, documenting the reason for the absence, and may also require a completed Return To Work slip from the treating physician.

2. Time taken towards Sick Bank must be in 4 or 8 hour increments and requires supervisor notification at least 15 minutes or greater in advance or the absence is subject to not be approved. On rare occasion, prescheduled absences in 1 hour increments may be approved for appointments that are scheduled at the start or end of an employee's shift, again requiring supervisor approval.

3. Sick Bank upon retirement

   If the employee retires, he/she may use their qualified dollar amount in their sick bank account to apply to their eligible post-employment retirement medical insurance or COBRA medical insurance costs. To determine the qualified value upon retirement, see policy HR-101. The employee may also chose not to continue on the medical insurance and be eligible to receive a one-time payment equal to 50% of their qualifying calculation. This payment is not eligible for WRS contributions; applicable payroll taxes will apply.

4.5 Scheduling PTO

When requesting PTO, employees must schedule their absences in advance whenever possible to ensure the City's smooth operation. Vacation time is always expected to be scheduled in advance and must be approved by the employee's supervisor. Approval will depend upon the workload in the affected area.

5.0 Management Discretion

There are times that management may need to recruit candidates with greater experience and/or skills. If necessary, modifications to this PTO schedule may be offered for recruitment purposes. Any deviations to the schedule listed above require approval of the respective Department Head and the Director of Human Resources & Labor Relations.

6.0 Forfeiture of PTO will occur in the following situations

6.1 Voluntary Resignation - an employee who resigns in good faith (provides 80 hours/two-week notice) shall receive payment only for the unused portion of the vacation they became eligible for on January 1st of the year of the resignation.

6.2 Retirement or Death – employees (or survivors in the case of death) shall receive payment only for the unused portion of the vacation they became eligible for on January 1st.

6.3 Termination for Cause – employees who are terminated for cause are entitled to payment only for the unused portion of the vacation they became eligible for on January 1st in the year in which the termination occurred.

6.4 Reduction in Workforce - employees who are terminated due to a reduction in workforce are entitled to payment for the unused portion of the vacation they became eligible for on January 1st in the year in which the reduction in workforce occurred.

6.5 Year-End Forfeitures – all vacation and discretionary days are a use-it or lose-it benefit. However, in the rare chance an employee is not able to use all of his/her vacation, the employee's supervisor may request a carryover of a maximum of forty (40) hours. The head of each department and the Director of Human Resources & Labor Relations must approve the carryover hours no later than December 15th. Payment in lieu of vacation is not permissible.

6.6 Discretionary PTO not used at time of employment termination is forfeited. In addition, it cannot be used during the two-week required notice time.

III

5.3

Res. No. 111 - 14 - 15. By Alderperson Donohue. December 1, 2014.

A RESOLUTION authorizing the City to enter into contract for obtaining Medical Stop-Loss Insurance, with Sun Life.

RESOLVED: That the appropriate City Officials are hereby authorized to enter into contract with Sun Life for providing specific medical stop loss insurance at a cost of $33.00 single/month, $73.04 family/month, at an estimated annual premium of $309,276 and aggregate insurance at an estimated annual premium of $12,379.20 for the period of January 1, 2015 through December 31, 2015.

BE IT FURTHER RESOLVED: That the appropriate City Officials are hereby authorized to draw orders on the City's Insurance Fund Account Number 70411032-540206 in payment of same.

Sal + Grieve

Mylynne Lowhur

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

Sun Life Assurance Company of Canada
Stop-Loss Administrative Worksheet

1 Broker Information

Fill out this form and send it to Sun Life Financial with the application.

Questions? Please speak to your Sun Life Group Sales Representative.

Broker name Diversified Insurance Solutions - Thomas Jocz			
Account manager name Katie Donovan			
Firm name Diversified Insurance			
Street address 100 N. Corporate Drive	City Brookfield	State WI	Zip code 53045
Phone number 262-439-4700	Fax number 262-439-4899		
Email address tjocz@div-ins.com			

2 TPA Information

If you have additional TPAs, please check here ☐ and include additional pages with the same information requested at the right.

TPA name UMR			
Account manager name Sandra Goke			
Street address	City	State	Zip code
Phone number 608-839-9523	Fax number		
Email address Sandra.Goke@umr.com			

3 Policyholder Information

Policyholder company name City of Sheboygan	
Policyholder contact name Sandy Rohrick	
Phone number 920-459-3374	Fax number
Email address Sandy.Rohrick@sheboyganwi.gov	

4 Administrative Information

Commissions are payable to: Diversified Insurance Solutions
Who will report and remit premiums? ☐ Broker ☒ TPA ☐ Policyholder ☐ Other:
Who will submit renewal data? ☒ Broker ☐ TPA ☐ Policyholder ☐ Other:

Sun Life Assurance Company of Canada

Application for Stop-Loss Insurance

1 Plan sponsor information

Full legal name of plan sponsor		Policy number (office use only)
City of Sheboygan		
Street address		Policy effective date
828 Center Ave.		01/01/2015
City	State	Zip code
Sheboygan	WI	53081

2 Subsidiaries, affiliates, divisions and locations

Please list all subsidiaries, affiliates, divisions, and locations to be covered under the Stop-Loss policy.

Subsidiaries, affiliates, divisions and locations to be covered under this policy:

1.
2.
3.
4.
5.
6.
7.
8.

3 Requested coverage

Please select the coverages for which you are applying.

☒ **Specific benefit**

Specific benefit deductible $ 145,000		☒ Individual ☐ Family
Aggregating specific deductible (if applicable) $ 75,000		
Specific benefit **annual** maximum eligible expenses $ Unlimited		
Specific benefit **lifetime** maximum eligible expenses $	OR	☒ No maximum

☒ **Aggregate benefit**

Aggregate benefit maximum $ 1,000,000	Aggregate benefit maximum eligible expenses per covered person* $ 145,000

* Individual or family option applies to all selected coverages

Domiciliary State - Michigan

4 Proposed benefits: rates, covered lives, and aggregate deductible factors

Specific Benefit Premium Rates:

Single	Family	Other
$ 33.00	$ 73.04	$

Specific Covered Benefits:

☒ Medical including Prescription Drug ☐ Medical excluding Prescription Drug

Aggregate Benefit Premium Rates:

☒ Monthly rate	☐ Annual rate (if applicable)	☐ Other: ____
$ 6.20	$	$

Total Employees	Total Family
417	300

Aggregate Deductible Factors (ADFs):

	Covered Benefit	ADF
☒	Medical	$ 890.27
☒	Prescription Drug Plan	$ 435.20
☐	Dental	$
☐	STD	$
☐	Vision	$
☐	Other _____	$

☐ Monthly Aggregate Accommodation (MAA)

5 Claims Basis

	Contract Basis	Specific Benefit	Aggregate Benefit
12/12	Incurred and Paid	☒	☒
15/12	3 Month Run-In	☐	☐
18/12	6 Month Run-In	☐	☐
24/12	12 Month Run-In	☐	☐
12/15	3 Month Run-Out	☐	☐
12/18	6 Month Run-Out	☐	☐
12/24	12 Month Run-Out	☐	☐
Incurred		☐	NA
Paid		NA	☐
Other _____		☐	☐
Terminal Liability Option:		☐	☐ ☐ 3 Months ☐ Other _____

6 For employers who are providers of medical services only (i.e. hospitals, clinics, etc.)

The Related Provider Reimbursement Percentage applied to Eligible Claims Expenses for Related Provider Services will be _N/A_ % for the Specific Benefit and _N/A_ % for the Aggregate Benefit.

7 Retiree information

1. **Specific Benefit:** Is retiree coverage included? ☐ No ☒ Yes
2. **Aggregate Benefit:** Is retiree coverage included? ☐ No ☒ Yes

8 Additional benefits (Must Be Underwriting Approved)

These are programs and enhancements to your Stop-Loss coverage.

SunExcel® Transplant Program

☒ **Elect** ☐ **Decline**

Clinical Trials Benefit Provision

☐ **Elect** ☒ **Decline**

No New Special Conditions Rider at Renewal

☒ **Elect** ☐ **Decline**

9 Certification and Signature

Please return this form and all additional required documentation to your Sun Life Financial Group Office.

This application does not bind coverage. The applicant agrees to provide Sun Life Assurance Company of Canada with a current census of all eligible individuals, disclosure of all special risks on the Special Risk Questionnaire and a complete Plan document no later than the effective date specified in section 1. Upon approval of this application, Sun Life Assurance Company of Canada will issue a Stop-Loss insurance policy with insurance coverage to become effective on the effective date. This application will be attached to and made a part of the Stop-Loss policy.

The policy will be void if the applicant has concealed or misrepresented any material fact or circumstance concerning the subject of this application.

Please read the fraud warning below before signing this application. State law requires that we notify you of the following: [*(If the applicant organization is headquartered in Colorado, District of Columbia, Florida, Kansas, Kentucky, Maryland, New Jersey, Oregon, Rhode Island, Tennessee, Vermont, Virginia, and Washington, please see Page 4.)*]

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Name of authorized representative of plan sponsor Sandy Rohrick	Title Human Resouce Director
Signature of authorized representative X Sandy Rohrick	Today's date 11-03-2014

Signature of agent/broker X Thomas
Print name of agent/broker Diversified Insurance Solutions/Thomas Jocz
Florida agent/broker license ID number	Amount paid with this application $
Countersigned by licensed resident agent (when required by law) X	

Fraud Warnings

Please read the applicable fraud warning before signing this application.

State law requires that we notify you of the following:
Please read the fraud warning below before signing this form. Where noted, state law requires that we notify you of the following:

Fraud Warning (except as specified below): Any person who knowingly and with intent to defraud any insurance company or other person files an Application for insurance or statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects that person to criminal and civil penalties.

Fraud Warning for Colorado: It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Fraud Warning for District of Columbia and Rhode Island: Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or knowingly presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Fraud Warning for Florida: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

Fraud Warning for Kansas: Any person who knowingly and with intent to defraud any insurance company or other person files an Application for insurance or statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto may be guilty of insurance fraud as determined by a court of law.

Fraud Warning for Kentucky: Any person who knowingly and with intent to defraud any insurance company or other person files an Application for insurance or statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which may be a crime and subjects that person to criminal and civil penalties.

Fraud Warning for Maryland: Any person who knowingly and willfully presents a false or fraudulent claim for payment of a loss or benefit or who knowingly and willfully presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Fraud Warning for New Jersey: Any person who includes any false or misleading information on an application for an insurance policy is subject to criminal and civil penalties.

Fraud Warning for Oregon: Any person who knowingly and with intent to defraud any insurance company or other person files an Application for insurance or statement of claim containing any materially false information or conceals, for the purpose of misleading, information concerning any fact material thereto may commit a fraudulent insurance act, which may subject that person to criminal and civil penalties.

Fraud Warning for Tennessee, Virginia and Washington: It is a crime to knowingly provide false, incomplete or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines and denial of insurance benefits.

Fraud Warning for Vermont: Any person who knowingly presents a false statement in an application for insurance may be guilty of a criminal offense and subject to penalties under state law.

III

5.5

Res. No. 112 - 14 - 15. By Alderperson Donohue. December 1, 2014.

A RESOLUTION authorizing the appropriate City officials to enter into an agreement with Diversified Benefit Services, Inc. to administer the Flexible Benefit Plan for the period January 1, 2015 through December 31, 2015.

WHEREAS, the City allows employees to enroll in a flexible spending program;

BE IT FURTHER RESOLVED: That the appropriate officers of the City of Sheboygan enter into a Flexible Benefit Plan Agreement for Services for the time period January 1, 2015 through December 31, 2015.

Sal a Grew

Mylynne Donohue

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

III

5.7

Res. No. 113 - 14 - 15. By Alderperson Donohue. December 1, 2014.

A RESOLUTION authorizing the appropriate City officials to enter into contract with United Health Care (UMR) to provide administration services for the City's medical health benefit plan for calendar year 2015.

RESOLVED: That the appropriate City officials are hereby authorized to enter into contract with United Health Care (UMR) for the administration services for the City's medical health benefit plan for the period January 1, 2015 through December 31, 2015, a copy of which is attached hereto.

BE IT FURTHER RESOLVED: That the appropriate officers of the City of Sheboygan be, and they hereby are, authorized to draw on the Insurance Administration Services Account, Account No. 70411032-521500, in payment same.

Fol & Grieb

Mary Lynn Donohue

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

A renewal presentation for:

City of Sheboygan

Presented to M3 Insurance Solutions Inc
by Sandra Goke

August 2014

UMR

A UnitedHealthcare Company

Renewal Services

Customer Name : City of Sheboygan
Plan Renewal Date : 1/1/2015

All fees shown as per employee per month (PEPM) unless otherwise noted

Proposed renewal fees assume all existing products and services written with UMR will be retained throughout the renewal period. New products and services may be added however proposed fees are subject to change and/or additional fees may apply if any existing products or services are discontinued.

Administration and access fees	Subscribers	Current Fees	Renewal Fees 1/1/2015
Medical claims 1/1/2015 - 12/31/2015	427	$13.76	$14.17
Medical claims 1/1/2016 - 12/31/2016		$14.17	$14.59
Medical client advisor commission	427	$2.00	$2.00
Stop loss interface - preferred	427	Included	Included
UnitedHealthcare Choice Plus network- access fee	422	$16.87	$16.87
No Medical Network	5	N/A	N/A
HIPAA certificates of creditable coverage	427	$0.25	Included
Utilization and case management	427	$3.25	$3.35
Maternity management (MM)	422	$0.65	$0.65
~~Disease management (DM)~~	~~422~~	~~$3.90~~	~~$3.90~~ Remove 1/1/2015
Truven Health Analytics reporting – three licenses included	427	Included	Included
Cost reduction and savings program - large bill review/fee negotiation and secondary/travel network - % of savings	427	30%	30%
Medical Insured Carve Out Coordination Fee	427	$0.35	$0.35

Non-preferred vendor surcharge: An additional stop loss interface fee surcharge of $5.00 PEPM applies if stop loss coverage is not placed with a UMR preferred vendor. This fee is in addition to the "Required stop loss interface fee" which applies for all groups. Consult your UMR representative for a list of preferred vendors.

UnitedHealthcare Choice Plus assumes that the benefit plans will meet the steerage requirements of the networks proposed or will be changed to meet the requirements, including but not limited to: deductible, out-of-pocket, coinsurance and plan limitations. Usage of the Choice Plus network requires employer participation in Value Based Contracting payment methodologies.

External PBM Vendors are subject to prior approval and may require additional fees.

Additional Services

Customer Name : City of Sheboygan
Plan Effective Date : 1/1/2015

All renewal fees are good for one year and are shown as per employee per month (PEPM) unless otherwise noted

Plan Administration	Current Fees	Renewal Fees 1/1/2015
SPD printing	Cost plus postage	Cost plus postage
Actuarially certified reserve estimate - per report and per additional breakdown	Pricing available upon request	Pricing available upon request
ID card mailing charge - employee residence	Included with medical administration	Included with medical administration
New York surcharge filing and administration - annual fee	No charge	No charge
Claim reprocessing - per claim	$25.00	$25.00
Subrogation - percent of recoveries	33%	33%
Federal external review for appeals - for non-grandfathered plans for adverse benefit determinations that involve medical judgment or a rescission of coverage.	Up to 5 included, then $500.00 per review	Up to 5 included, then $500.00 per review
Full/Partial Summary of Benefits and Coverage (SBC) creation with data UMR has on file (includes initial SBC plus one amendment, electronic version only provided to employer)	Included with medical administration	Included with medical administration
Translation of SBC into non-English text	Cost of translation	Cost of translation
Print and ship SBCs to employer at open enrollment (approval required)	Cost plus postage	Cost plus postage
Inclusion of outside vendor data in SBC in UMR standard format, e.g. carved out benefits (approval required)	$1,000 per SBC per benefit plan	$1,000 per SBC per benefit plan
More than two SBC requests per year	$500.00 per SBC per benefit plan	$500.00 per SBC per benefit plan
Reporting		
Ad hoc reports and analysis - per hour (two hours included with medical administration)	$100.00	$100.00

Fixed Fee Pharmacy Pricing

Customer Name : City of Sheboygan
Plan Effective Date : 1/1/2015

Pharmacy benefits provided through OptumRx™. The following fees apply to all retail network pharmacies with the exception of pharmacies located in states that may elect to participate on a state-fee schedule. Retail discounts and fees illustrated below are based on the OptumRx™ book-of-business average. Actual retail discounts may vary.

	Published AWP
Electronic claim adjudication - per claim [1]	$2.25
Retail	
Brand discount, plus dispensing fee	Pass-through
Net effective generic discount, plus dispensing fee	Pass-through
Mail Order	
Brand discount, plus dispensing fee	23.00% + $0.00
Net effective generic discount, plus dispensing fee	78.25% + $0.00
Retail 90 Rx (Optional)	
Brand discount, plus dispensing fee	Pass-through
Net effective generic discount, plus dispensing fee	Pass-through
Rebate Share	
Incentivized rebate share (retail) - per claim returned to the client	$5.00
Incentivized rebate share (mail order) - per claim returned to the client	$20.00
Additional Programs	
Prior authorizations - per clinical prior authorization	Included

Specialty drugs are priced on an individual drug basis at the market competitive rate, most commonly around 12.5%. Dispensing fees are charged on a limited number of specialty drugs, primarily vaccines.

Compound Drug Claim Pricing: AWP less Pass-through Contracted Discount + $7.50 Dispensing fee

[1] *An additional $1.75 per claim applies to the electronic per claim fee for paper claims. Per claim rate guaranteed first year only.*

Fixed Fee Pharmacy Pricing

Pharmacy Conditions

Fees proposed assume the use of OptumRx™ as the pharmacy benefits manager.

Retail and mail order guarantees are reconciled in the aggregate.

Mail Service rates are based on an average days supply of 84 or greater for all claims with the exception of all specialty and certain non-specialty injectable drugs. A specialty exhibit can be provided upon request.

Plans with medical and pharmacy benefit integration are considered non-incentivized for pharmacy rebates (i.e. high deductible health plans, health savings accounts, and PPOs with deductibles greater than $1,000).

Medicare eligible retirees are only eligible for fixed fee pharmacy pricing.

Rates exclude compound and Direct Member Reimbursement claims. (ie: Paper Claims)

Rebate guarantees and generic AWP discounts may be adjusted proportional to the impact of unexpected releases of generic products to market, or the withdrawal/recall of existing branded products.

Generic discount and dispensing fee guarantees cover Multi-Source products only. A Multi-Source product is defined as one that is manufactured by more than two generic manufacturers. The brand discount and dispensing fee guarantees apply to non-Multi-Source products.

UMR and OptumRx™ reserves the right to renegotiate in good faith rates, fees, and guarantees if membership, utilization, market conditions or legislation varies materially from the time this quote was provided.

All rates and fees are contingent upon the selection of OptumRx™ as the exclusive mail provider. Additional fees apply if another mail provider is selected.

Deductible integration of prescription drug and medical claims requires daily connectivity between the pharmacy benefits manager and the plan administrator, additional coordination fees apply. External vendors are subject to prior approval.

Rebate Management Terms

Based on adoption of OptumRx™ formulary, formulary management, and utilization management.

OptumRx's collection and distribution of funds received.

Unrestricted access to 90 days supply scripts in retail.

Incentivized plan designs are two-tier closed or three-tier with a minimum of $10.00 difference in copayment or 10% difference in coinsurance between preferred and non-preferred branded drugs.

Any deviations to the Administrator's Formulary and Utilization Management that adversely impacts rebates will result in a proportional adjustment to the corresponding rebate guarantees.

Rebates may not include Prescription Claims that require the Members to pay more than 50% of the total annual cost for all Prescription Claims under the applicable Benefit Plan.

Any reduction in rebates earned by OptumRx™ as a result of changes to formulary and/or benefit design not initiated or approved by OptumRx may result in adjustments to rebate payments or guarantees effective concurrently with such occurrences.

Rebate ineligible paid claims such as those from 340B pharmacies(in-house) or entities eligible for federal supply schedule prices (e.g., Dept. of Veterans Affairs, US Public Health Service, Dept. of Defense) are excluded from rebate guarantees.

Fixed Fee Pharmacy Pricing

"AWP" means the average wholesale price of a Prescription Drug or other pharmaceutical products or supplies based on the Pricing Source. For Prescription Drugs or other pharmaceutical products or supplies not dispensed by Administrator's Mail Order Pharmacy or Specialty Pharmacy, AWP is based on the NDC of the drug dispensed. For Prescription Drugs or other pharmaceutical products or supplies dispensed by Administrator's Mail Order Pharmacy or Specialty Pharmacy, AWP is based on a package size of 100 units for pills, capsules and tablets and 16 ounce quantities for liquids (or the next closest package size if these quantities or sizes are not available) or the manufacturer's individual pre-packaged item (e.g., tube, drop dispenser, etc.).

Conditions

Customer Name : City of Sheboygan
Plan Effective Date : 1/1/2015

This renewal proposal is valid until 30 days before the effective date and does not bind coverage or obligate UMR.

The information contained in this response to the request for proposal is considered confidential and proprietary. We are providing this information with the understanding that it will not be used for any purpose other than to evaluate our capabilities to provide the services requested. In addition, this information will not be disclosed to person(s) or entity(s) other than those who are involved in the process of evaluating our response. Written permission must be obtained from UMR prior to any exceptions of these obligations in order to maintain the confidentiality of our responses.

All quoted product fees assume UMR administers the medical plan.

UMR assumes all services provided will be handled according to our standard format and procedures, unless otherwise specifically addressed within this proposal. Specialized services will be priced as necessary.

Fees proposed are based on the plan of benefits as submitted but does not assume duplication of benefits or provisions. Fees proposed assume a standard PPO plan design with no referral administration and no primary care physician tracking. Proposal assumes that the benefit plans will meet the steerage requirements of the networks proposed or will be changed to meet the requirements, including but not limited to; deductible, out of pocket, coinsurance and plan limitations. Plan design changes may impact a Grandfathered Health Plan status. Usage of the Choice Plus network requires employer participation in Value Based Contracting payment methodologies. Please review any changes with your advisor.

The Patient Protection and Affordability Care Act (PPACA) imposes certain fees and taxes on customers. For example, the Patient-Centered Outcomes Research Fee (PCORI) that is effective 2012 and the temporary reinsurance fee effective in 2014. PPACA fees and taxes are not included in the rates and fees quoted. Customers are responsible for reporting and paying the PCORI and the transitional reinsurance fees.

The Plan will remain responsible for state or federal surcharges, assessments, or similar taxes imposed by governmental entities or agencies on the Plan or UMR, including but not limited to those imposed pursuant to The Patient Protection and Affordable Care Act of 2010, as amended from time to time.

UMR reserves the right to adjust fees in the event of (i) any changes in federal, state or other applicable law or rules; (ii) changes in plan design required by the applicable regulatory authority (e.g. mandated benefits) or by the customer; or (iii) any taxes, surcharges, assessments or similar charges being imposed by a governmental entity on the plan or UMR.

To comply with the Department of Labor's (DOL) claims regulations, we encourage pre-notification of at least 60 calendar days prior to the effective date of this contract. In the event that a 60-day notice is not feasible, UMR does not guarantee, but will make every reasonable effort, to have new plan(s) programmed quickly so claims can be processed within the required DOL timelines.

Fees proposed assume one billing, reporting, eligibility feed, stop loss and banking arrangement.

Do not cancel in-force plan(s) and/or policy(ies) until final approval is received.

UMR is not bound by any typographical errors and/or omissions contained herein.

Fees proposed assume utilization and case management services are provided through UMR in order to access UnitedHealthcare Networks.

Fees proposed are subject to change if a division, subsidiary or affiliated company is added or deleted from the plan, or if the number of covered employees changes by 15% or more from this proposal.

Claim reprocessing due to situations, such as retroactive benefit or eligibility changes, may require additional fees.

UMR will share raw claims and eligibility data, however, we reserve the right to exclude data elements deemed proprietary by our organization.

Conditions

Fees proposed assume the cost reduction and savings program is selected. If this program is not selected, the medical administration fee will increase by $3.50 PEPM

UMR provides an ERISA DOL appeals process. UMR does not participate in Grievance Review Panel Hearings.

UMR requires that all qualified high-deductible plan designs meet federal regulatory requirements. Our coordination of benefits (COB) process will meet the requirements for Preservation COB processing.

Administration of plans requiring integrated deductible and out of pocket to comply with the Essential Health Benefits provision of Health Care Reform, qualified high deductible health plan or the like, assumes the use of service providers (pharmacy benefits manager (PBM), dental, vision, etc.) that are currently integrated with UMR. Utilizing these service providers may require additional fees. Please refer to your representative to identify integrated service providers.

UMR cannot support the drug data requirements for Medicare Part D subsidy submission of plans where the pharmacy claims are paid under the medical plan. We recommend these pharmacy benefits be provided by a pharmacy benefits manager.

VI

6.3

R. C. No. 215 - 14 - 15. By WHOLE. December 1, 2014.

Your Committee to whom was referred R. O. No. 178-14-15 by the City Clerk submitting a communication from Alderperson Bohren suggesting the attached revision of the CAO (Chief Administrative Officer) job description to be considered by the Salaries and Grievances Committee; recommends that the document be referred to Salaries and Grievances.

refer to S+G

Julie Kath

Susan J Lessard

Jodi VanderWeele

John Berg

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated_____ 20____. _____, City Clerk

Approved_____ 20____. _____, Mayor

IV

II

3.4

R. O. No. 178 - 14 - 15. By CITY CLERK. November 3, 2014.

Submitting a communication from Alderperson Bohren suggesting the attached revision of the CAO (Chief Administrative Officer) job description to be considered by the Salaries and Grievances Committee.

Whole

refer to Sal & Griev

Susan Richards
City Clerk

II

CITY OF SHEBOYGAN

CHIEF ADMINISTRATIVE OFFICER

GRADE 16 | **Code A01020D**

Reports to: Common Council President, VICE PRESIDENT AND COW CHAIRPERSON | **Department: Administrative**

Classification: Exempt

Date: October 3, 2011 Common Council | **Approved: S & G 9/26/11**

Modified October 8, 2012 | S & G

October 15, 2012 | Common Council

POSITION SUMMARY:

This is a professional and management position responsible for DEVELOPING AND PRESENTING A DETAILED BALANCED BUDGET, the administration of day-to-day operations of the city government in accordance with state laws, city ordinances and policies determined by the City Council. This position implements the directives of the Common Council with input from the Mayor and recommends policies and procedures.

ESSENTIAL DUTIES AND RESPONSIBILITIES:

1. Develop AND PRESENT A PRELIMINARY DETAILED BALANCED BUDGET and implement THE annual budget under the direction of the Common Council with input from the Mayor.

2. Develop AND PRESENT short and long term ROLLING FIVE YEAR strategic plans, for the city under the direction of the Common Council with input from the Mayor.

3. Establish and maintain procedures to facilitate communications between citizens and city government to assure that complaints, grievances, and other matters receive prompt attention by the responsible official and to assure that all such matters are expeditiously resolved.

4. Effectuate actions of the Common Council and implement administrative matters under the direction of the Common Council with input from the Mayor.

5. Consults with the Mayor and Common Council President VICE PRESIDENT AND COW CHAIRPERSON on emergent matters requiring policy decisions.

6. Conduct research, prepare reports and make recommendations to the Mayor and Common Council on matters included within the scope of office.

7. Serve as ex-officio nonvoting member of the Standing Committees of the City, except as specified by the Common Council or Wisconsin State Statutes.

8. Attend meetings of the Common Council, assisting the Mayor and council as required in the performance of their duties. Provide information about the administrator's office through oral or written reports TO THE APPROPRIATE STANDING COMMITTEE OR THE COW at regular and special meetings of the council.

9. Acts as public information officer for the City.

MONTHLY BASIS AND

SUPERVISORY RESPONSIBILITIES:

Carries out supervisory responsibilities in accordance with the City's policies and applicable laws. Responsibilities include hiring of employees, planning and directing work in consultation with input from the Mayor, appraising performance, and salary administration for all non-elected Department Heads (including Fire and Police), addressing complaints and resolving problems. All non-elected Department Heads report to the Chief Administrative Officer.

Hiring/Promotion Clarification of Process: This individual recommends to the Mayor and Common Council, the appointment, promotion and termination of all employees that fall under the specified Table of Organization in accordance with the guidelines set forth by the City Human Resources Department.

Evaluations: This individual is responsible for implementing employee evaluation of all Managers and Directors. These evaluations are to be in accordance with the guidelines set forth by the City Human Resources Department.

QUALIFICATION REQUIREMENTS:

To perform this job successfully, an individual must be able to perform each essential duty and responsibility satisfactorily. The requirements listed below are representative of the knowledge required. Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions.

EDUCATION and/or EXPERIENCE:

Bachelor's Degree from an accredited college or university required with an advanced degree such as an MBA or MPA required. Position requires at least ten years of progressively responsible work experience in a municipal or private sector settings with a minimum of five years functioning in a senior leadership position.

Required Knowledge, Skills and Abilities:

- Experience in human resources management, budgeting and financial administration
- Knowledge in establishing and using performance measurement
- Thorough knowledge of principles and practices of public administration including comprehensive knowledge of Federal and State laws and regulations affecting municipal government.
- Knowledge of and significant experience in long-range planning of programs and services, management team development and employee relations
- Considerable ability to conduct sound research and to develop effective recommendations for policies and implementation procedures.
- Considerable experience in team building, planning organizing and directing the work of others.

The City of Sheboygan, Wisconsin is an Equal Opportunity Employer. In compliance with the Americans with Disabilities Act, the City of Sheboygan will provide reasonable accommodations to qualified individuals with disabilities and encourages both prospective and current employees to discuss potential accommodations with the employer.

CAO PERFORMANCE EVALUATION

THE CAO'S PERFORMANCE WILL BE EVALUATED ON AN ANNUAL BASIS BY THE COUNCIL PRESIDENT, VICE PRESIDENT, AND COUN CHAIRPERSON WITH THE ASSISTANCE FROM THE DIRECTOR OF THE HUMAN RES. DEPT.