

CLERK'S OFFICE
APPROVED
7-13-10

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Dept. of Employee Relations
For reading: June 22, 2010

Date:

ANCHORAGE, ALASKA
AO No. 2010-51

1 AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE SECTION
2 3.30.161 TO ALLOW DEVELOPMENT OF A HEALTH INSURANCE COVERAGE
3 OPT-OUT PROGRAM FOR EXECUTIVE AND NON-REPRESENTED EMPLOYEES.
4

5
6 **WHEREAS**, the Dept. of Employees Relations has received multiple inquiries from
7 executive and non-represented employees regarding the ability to opt-out or not
8 participate in municipal health insurance coverage; and
9

10 **WHEREAS**, developing an opt-out option for executive and non-rep employees
11 requires an amendment to the municipal code; and
12

13 **WHEREAS**, a health insurance coverage opt-out option for executives and non-rep
14 employees may also result in significant cost savings to the Municipality;
15

16 **WHEREAS**, executives and non-rep employees requesting to opt-out of municipal
17 health insurance coverage would be required to prove alternative insurance coverage
18 before approval; now, therefore,
19

20 **THE ANCHORAGE ASSEMBLY ORDAINS:**
21

22 **Section 1.** Anchorage Municipal Code section 3.30.161 is amended to read as
23 follows (*the remainder of the section is not affected and therefore not set out*):
24

25 **3.30.161 Insurance benefits.**
26

27 A. Regular employees who are scheduled to work at least 20 hours each
28 week shall participate in insurance and medical benefit programs
29 established either by the mayor or under an approved collective
30 bargaining agreement. The director may establish programs allowing
31 employees with other health insurance coverage to opt-out of the
32 health insurance coverage available through the municipality upon
33 conditions and criteria determined by the director. [Such]Benefits
34 under programs established by the mayor shall continue to be in effect
35 during absences due to:

- 36 1. Paid leave;
- 37 2. Up to three months of medical leave; and
- 38 3. Approved leave without pay when the employee pays the
39 insurance premium.
40

41 *** **

42 (AO No. 79-195; AO No. 86-207(S-1))
43

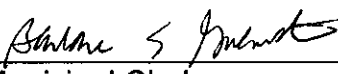
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Section 2. This ordinance shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 13th day of July, 2010.


Chair of the Assembly

ATTEST:


Municipal Clerk

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2010-51

Title: AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE SECTION
 3.30.161 TO ALLOW DEVELOPMENT OF A HEALTH INSURANCE
 COVERAGE OPT-OUT PROGRAM FOR EXECUTIVE AND NON-
 REPRESENTED EMPLOYEES.

Sponsor: MAYOR
 Preparing Agency: Department of Employee Relations
 Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES:	(In Thousands of Dollars)				
	FY10	FY11	FY12	FY13	FY14
Operating Expenditures					
1000 Personal Services					
2000 Non-Labor					
3900 Contributions					
4000 Debt Service					
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -
Add: 6000 Charges from Others					
Less: 7000 Charges to Others					
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES:					
CAPITAL:					
POSITIONS: FT/PT and Temp					

PUBLIC SECTOR ECONOMIC EFFECTS:

None; code change required to develop opt-out program for executive and non-represented employees.

PRIVATE SECTOR ECONOMIC EFFECTS:

None.

Prepared by:

Telephone:

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 382-2010

Meeting Date: June 22, 2010

1 **From: MAYOR**

2
3 **Subject: AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE**
4 **SECTION 3.30.161 TO ALLOW DEVELOPMENT OF A HEALTH**
5 **INSURANCE COVERAGE OPT-OUT PROGRAM FOR EXECUTIVE**
6 **AND NON-REPRESENTED EMPLOYEES.**
7

8 This ordinance amends Anchorage Municipal Code section 3.30.161, to allow for
9 development of an opt-out program for executive and non-represented employees.
10 Current code provisions require every regular municipal employee to participate in
11 Municipality-sponsored medical benefit plans regardless of whether the employee
12 has other health insurance coverage.
13

14 The Employee Relations Department ("Department") has received multiple inquiries
15 from municipal employees with other health insurance who desire to not participate
16 in, or to opt-out of, municipal health coverage.
17

18 The Department believes allowing employees with other health care coverage to
19 opt-out of municipal health coverage will meet the needs of employees who do not
20 need or utilize additional health insurance and may result in significant cost savings
21 to the Municipality.
22

23 The Department presented this opt-out program to the Municipal Executive Health
24 Committee, which approved the Department's development of the opt-out program
25 for non-represented and executive employees.
26

27 The Administration requests approval of the code amendments, so the Department
28 may proceed with developing and offering an opt-out program to non-represented
29 and executive employees with other health care coverage.
30

31 **THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE**
32 **AMENDING ANCHORAGE MUNICIPAL CODE SECTION 3.30.161 TO ALLOW**
33 **DEVELOPMENT OF A HEALTH INSURANCE COVERAGE OPT-OUT PROGRAM**
34 **FOR EXECUTIVE AND NON-REPRESENTED EMPLOYEES.**
35

36 Prepared by: S. Lynn Erwin, Director of Personal Services
37 Approved by: Nancy Bear Usera, Director of Employee Relations
38 Concur: Dennis A. Wheeler, Municipal Attorney
39 Concur: George J. Vakalis, Municipal Manager
40 Respectfully submitted: Daniel A. Sullivan, Mayor

Content ID: 009145**Type:** Ordinance - AO

Title: AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE SECTION 3.30.161 TO ALLOW DEVELOPMENT OF A HEALTH INSURANCE COVERAGE OPT-OUT PROGRAM FOR EXECUTIVE AND NON-REPRESENTED EMPLOYEES

Author: pruitns**Initiating Dept:** ER**Keywords:** AMC 3.30.161, Health Insurance, Opt-out, Executive, Non-Reps, Employees**Date Prepared:** 6/11/10 1:19 PM**Director Name:** Nancy Usera**Assembly Meeting Date:** 6/22/10**Public Hearing Date:** 7/13/10

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	6/11/10 3:02 PM	Exit	Nina Pruitt	Public	009145
MuniManager_SubWorkflow	6/11/10 3:02 PM	Approve	Nina Pruitt	Public	009145
Legal_SubWorkflow	6/11/10 3:02 PM	Approve	Dean Gates	Public	009145
Finance_SubWorkflow	6/11/10 2:56 PM	Approve	Lucinda Mahoney	Public	009145
OMB_SubWorkflow	6/11/10 2:55 PM	Approve	Cheryl Frasca	Public	009145
ER_SubWorkflow	6/11/10 2:19 PM	Approve	Nancy Usera	Public	009145
AllOrdinanceWorkflow	6/11/10 1:26 PM	Checkin	Nina Pruitt	Public	009145