

BILL NO. G-13-05-15 (AS AMENDED)

GENERAL ORDINANCE NO. _____

AN ORDINANCE AMENDING CHAPTER 40: COLLECTIVE BARGAINING OF THE CITY OF FORT WAYNE, INDIANA, CODE OF ORDINANCES ADDING §40.13 AND §40.36 AND AMENDING CHAPTER 38, CITY POLICIES, ADDING §38.03.

WHEREAS, the implementation of property tax caps by the Indiana General Assembly has resulted in a loss of \$53 million in revenue to the City of Fort Wayne; and

WHEREAS, the loss of revenue has created a sustained and unprecedented fiscal crisis that threatens to severely compromise the City's ability to continue to provide essential services necessary to maintain the public welfare; and

WHEREAS, Mayor Tom Henry has appointed a Fiscal Policy Group comprised of local and state experts, members of City Council and City staff to gain a full understanding of fiscal conditions and to identify financial options available to the City to meet fiscal challenges in 2014 and beyond; and

WHEREAS, the Fiscal Policy Group has completed its review and has developed a framework of ideas, which included a recommendation that the benefits provided to City employees would align more closely with those provided to employees in the private sector; and

WHEREAS, the City has the unilateral right to establish various terms and conditions for employee health insurance including the right to establish costs (premiums, out of pockets and deductibles), and to determine the number of plans, vendors, plan design and co-pays;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. Chapter 40: Collective Bargaining of the City of Fort Wayne, Indiana, Code of Ordinances is amended to add the following Sections:

§40.13 PROHIBITION ON PROVISIONS REGARDING HEALTH INSURANCE

(A) *Applicability.* This section shall be effective for all agreements or contracts (including collective bargaining agreements) covering employees of the City of Fort Wayne (excluding Police Officers or Firefighters as defined in § 14.22) entered into after the effective date of this ordinance by the City of Fort Wayne, or entered into by any City of Fort Wayne subdivision, department, division, commission, authority, institution, establishment, facility, or governmental unit under the supervision of the City of Fort Wayne.

(B) *Prohibition against provisions regarding spousal and/or retiree health insurance.* The City of Fort Wayne, and any City of Fort Wayne subdivision, department, division, commission, authority, institution, establishment, facility, or governmental unit under the supervision of the City of Fort Wayne is prohibited from entering into any agreement or contract (including collective bargaining agreements) that includes any provision that purports to establish the terms and conditions of eligibility or coverage, for spousal health insurance, and/or retiree health insurance.

(C) Employees hired prior to January 1, 2014 who retire from the City of Fort Wayne shall be provided health insurance subject to the same terms and conditions, and with the same premium contributions, deductibles, and co-pays as active employees.

(D) Nothing in this section shall limit the City's authority or ability to contract for employee health insurance with a health insurance provider or broker.

**§40.36 PROHIBITION ON PROVISIONS REGARDING HEALTH
INSURANCE**

(A) *Applicability.* This section shall be effective for all agreements or contracts (including collective bargaining agreements) covering Police Officers or Firefighters entered into after the effective date of this ordinance by the City of Fort Wayne, or entered into by any City of Fort Wayne subdivision, department, division, commission, authority, institution, establishment, facility, or governmental unit under the supervision of the City of Fort Wayne.

(B) *Prohibition against provisions regarding spousal and/or retiree health insurance.* The City of Fort Wayne, and any City of Fort Wayne subdivision, department, division, commission, authority, institution, establishment, facility, or governmental unit under the supervision of the City of Fort Wayne is prohibited from entering into any agreement or contract (including collective bargaining agreements) that includes any provision that purports to establish the terms and conditions of eligibility or coverage, for spousal health insurance and/or retiree health insurance.

(C) Nothing in this section shall be interpreted to conflict with the City's statutory obligation to provide health insurance to eligible employees, retirees, or their family members as required under State or Federal law.

(D) Nothing in this section shall limit the City's authority or ability to contract for employee health insurance with a health insurance provider or broker.

(E) The City shall continue to provide health insurance and pay the full premium cost upon retirement for Police Officers or Firefighters: (i) who were hired prior to January 1, 2014 who retire from the City of Fort Wayne; or (ii) who terminate service with a job-related disability pension. For Police Officers or Firefighters hired on or after January 1, 2014 who retire from the City of Fort Wayne, upon retirement the City shall provide health insurance

subject to the same terms and conditions, and with the same premium contributions, deductibles, and co-pays as active Police Officers or Firefighters.

SECTION 2. That Section 38.03, "Procurement; City Employee Health Insurance," is added to Chapter 38, City Policies. Section 38.03 is adopted as follows:

§38.03 PROCUREMENT; CITY EMPLOYEE HEALTH
 INSURANCE

This section provides that the City of Fort Wayne, if it procures or provides health insurance, will provide for a single health network provider unless it is conclusively shown and such finding is specifically adopted by Council that cost savings from multiple network providers equals or exceeds the cost savings resulting from selection of a single network provider.

SECTION 3. That this Ordinance be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Council Member

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney