

Legislation Text

File #: 2009-0322, Version: 1

AN ORDINANCE requiring nonrepresented King County employees who receive medical benefits and earn above the mean income for King County to contribute a portion of their earnings toward the cost of medical coverage; and amending Ordinance 12014, Section 7, and K.C.C. 3.12.040.

STATEMENT OF FACTS:

1. King County is experiencing a financial emergency resulting in a significant shortfall in the amount of funding needed to sustain the current level of general operations through 2010.

King County employee benefits costs rose from \$158 million in 2005 to a projected cost of
\$214 million in 2009, a thirty-five percent increase, driven by growing medical claim costs.

3. Continued increases in employee benefits costs are anticipated despite increased copays and reduced coinsurance that will take effect in 2010 and are projected to save \$37 million from 2010 to 2012.

4. Snohomish county, the state of Washington, and the cities of Seattle, Tacoma and Bellevue charge employees a monthly amount for medical benefits, ranging from twenty-eight dollars to forty0eight dollars, with additional charges for spouses, domestic partners and dependents.

5. Recognizing that existing collective bargaining agreements preclude this ordinance from covering all county employees who receive medical benefits, it is the council's intent to require that all nonrepresented employees earning at least the mean income for King County contribute a portion of their earnings in future years towards medical costs.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 12014, Section 7, and K.C.C. 3.12.040 are each hereby amended to read as follows:

A. Full-time regular, part-time regular, provisional, probationary and term-limited temporary employees shall receive the leave benefits provided in this chapter.

B. Full-time regular, part-time regular, provisional, probationary and term-limited temporary employees and their spouse or domestic partner, each of their dependent children, and each of the dependent children of their spouse or domestic partner shall be eligible for medical, dental, life, disability((5)) and vision benefits, except in those instances where contrary provisions have been agreed to in the collective bargaining process and to the extent such benefits are available through insurers selected by the county. The director shall establish specific provisions governing eligibility for these benefits as part of the personnel guidelines and consistent with budget requirements. Such provisions may include waiting periods for employees newly-hired to the county.

<u>C. Except in those instances where contrary provisions have been agreed to in the collective bargaining</u> process, full-time regular, part-time regular, provisional, probationary and term-limited temporary employees who receive medical benefits and earn at least the mean income for King County shall contribute a portion of the employee's earnings towards medical benefits costs. Each employee's annual contribution shall be two percent of the amount by which the employee's earnings exceed the mean income for King County. The appropriate mean income for King County shall be established by the King County executive by June 1 of each year and approved by council motion by August 1 of each year.

C. D. Part-time and temporary employees, other than probationary, provisional and term-limited temporary employees, who exceed the calendar year working hours threshold defined in this chapter shall receive compensation in lieu of leave benefits at the rate of 15% of gross pay for all hours worked, paid retroactive to the first hour of employment and for each hour worked thereafter. The employee will also receive

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a one-time only payment in an amount equal to the direct cost of three months of insured benefits, as determined by the director, and, in lieu of insured benefits, an amount equal to the direct cost to the county for each employee for whom insured benefits are provided, prorated to reflect the affected employee's normal work week, for each hour worked thereafter. Such additional compensation shall continue until termination of employment or hire into a full-time regular, part-time regular or term-limited position. Further, employees receiving pay in lieu of insured benefits may elect to receive the medical component of the insured benefit plan, with the cost to be deducted from their gross pay; provided, that an employee who so elects shall remain in the selected plan until termination of employment, hire into a full-time regular, part-time regular, part-time regular, part-time regular, or term-limited position, or service of an appropriate notice of change or cancellation during the employee benefits annual open -enrollment.

Part-time and temporary employees, other than probationary, provisional and term-limited temporary employees, who exceed the applicable threshold will also be eligible for cash in lieu of the bus pass benefit provided to regular employees. The value will be determined based on the average annual cost per employee as determined in the adopted budget, prorated to an hourly equivalent based on the employee's normal work week, and will be paid retroactive to the first hour worked and for each hour worked

thereafter until termination of employment or hire into a full-time regular, part-time regular, or term limited position.