

**DELIVERED ELECTRONICALLY
PRIVILEGED & CONFIDENTIAL**

February 22, 2010

To: Hon. Lyndon Williams
Vice Chair, County Board of Legislators
Legislator, 13th District

From: Robert F. Meehan
County Attorney

RFM

Of Counsel:

Stacey Dolgin-Kmetz
Chief Deputy County Attorney

Linda M. Trentacoste
Associate County Attorney

Re: Proposed Health Insurance Contribution Legislation

Pursuant to your request, attached please find an Act which would require all elected officials and certain non-represented/managerial county employees and retirees to contribute between five per cent (5%) and fifteen per cent (15%) of the overall cost of the premium rate of the basic County health insurance plan. This proposed Act is intended to be a first step towards "phasing-in" the contribution toward health care by all County employees. If adopted, this Act shall take effect on July 1, 2010 and shall expire on December 31, 2010, subject to renewal or continuation by Act as may be necessary.

Also enclosed are a proposed Committee Report, and a Local Law, with accompanying Resolution for a Public Hearing, relating to a permissive referendum in order to require County officers appointed for a fixed term to contribute to the overall cost of the premium rate of the basic County health insurance plan during their current terms of office. The local law, if adopted, will take effect forty-five days after its adoption, in accordance with the provisions relating to permissive referendum.

Please let us know if we may be of further assistance.

RFM/SDK/LMT/nm
Enclosure

BOARD OF LEGISLATORS
COUNTY OF WESTCHESTER

Your Committee urges the adoption of “AN ACT to Require Certain Non-Represented/Managerial Employees and Retirees (including those at the Westchester Community College and the District Attorney’s Office) and All County Elected Officials to Contribute to the Overall Cost of the Premium Rate of the Basic County Health Insurance Plan” and the accompanying Local Law which would require County officers appointed for a fixed term to also contribute to the overall cost of the premium rate of the basic County health insurance plan during their current terms of office.

Your Committee notes that Westchester County, unlike most other employers, does not require its employees to contribute to the actual cost of their health care insurance. Despite the fact that co-pays for County employees have increased over the years, these increases are miniscule in comparison to the actual cost of providing health care insurance. For example, in 2000, the County’s total budgeted cost for employee health benefits was \$66,990,590.00, while in 2010, the County’s total budgeted cost of employee health benefits is now \$148,837,857.00 – an increase of approximately \$82 million dollars. The average annual cost per individual plan is approximately \$7,992.00, while the average annual cost per family plan is approximately \$22,057.00.

Your Committee notes that this proposed Act is intended to be a first step towards “phasing-in” the contribution toward health care by all County employees. Your Committee recognizes that requiring non-represented/managerial employees and retirees who have worked for the County for less than twenty (20) years to contribute between 5%

and 15% of the overall cost of the premium rate of the basic County health insurance plan will reduce the overall cost of the program to the County, thereby reducing the corresponding burden placed on the County's taxpayers. Your Committee notes that this contribution to the overall cost shall be in addition to the premium difference, if any, between the County's contribution and the total cost of a Health Maintenance Organization which is currently required to be paid by all County employees who choose such health insurance plans.

Notably, non-represented/managerial employees who are retired prior to the effective date of this Act will not be required to contribute between five (5) and fifteen (15) percent of the overall cost of the premium rate of the basic County health insurance plan as required by this Act.

Your Committee is aware of the fact that these same non-represented/managerial employees have not received any salary or cost of living increase since 2007, and that this contribution may be difficult for some individuals. However, these are difficult economic times for all of Westchester County, and the concept of requiring employees to contribute to their health care insurance is an accepted practice in most business settings.

Your Committee notes that while the Act would apply to County elected officials and County officers appointed for a fixed term for their next terms of office, various provisions of New York State laws and the Laws of Westchester County prohibit the diminution of the salaries of County elected officials and County officers appointed for a fixed term during their current terms of office unless certain referendum requirements are met. Notably, the referendum requirements will delay the effective date of the legislation

for County elected officials and County officers appointed for a fixed term during their current terms of office. Nevertheless, your Committee encourages County elected officials and those County officers appointed for a fixed term to voluntarily contribute to their health care costs during their current terms of office. In any event, County elected officials and those County officers appointed for a fixed term will be required to contribute to their health care costs during their next terms of office if the proposed Act is extended on or before December 30, 2011.

In light of the aforementioned, your Committee recommends the adoption of the proposed Act and accompanying Local Law subject to a referendum on petition, to require some non-represented/managerial employees and retirees, including County elected officials and County officers appointed for a fixed term, to contribute to the overall cost of the premium rate of the basic County health insurance plan.

Dated: _____, 2010
White Plains, New York

COMMITTEE ON

ACT NO. – 2010

AN ACT to Require Certain Non-Represented/Managerial Employees and Retirees (including those at the Westchester Community College and the District Attorney’s Office), and All County Elected Officials to Contribute to the Overall Cost of the Premium Rate of the Basic County Health Insurance Plan.

BE IT ENACTED by the County Board of the County of Westchester as follows:

Section 1. Notwithstanding any other provision of law to the contrary, and in addition to the premium difference, if any, between the County’s contribution and the total cost of a Health Maintenance Organization which is required to be paid by employees who choose such health insurance plans, certain non-represented/managerial employees, including those at Westchester Community College and the District Attorney’s Office, as well as those who retire after the effective date of this Act and all County elected officials shall contribute to the overall cost of the premium rate of the basic County health insurance plan as follows:

Categories of Employees	Amount of Contribution
County elected officials	15%
All County Commissioners and Department heads and all those County Employees whose titles and rates of pay for positions are not allocated Job Groups but who receive an annual flat rate	15%
All non-represented/managerial County employees and retirees who have less than five years of County service at the time that this Act is initially adopted	15%
All non-represented/managerial County employees and retirees who have five years or more, but less than ten years of County service at the time that this Act is initially adopted	10%
All non-represented/managerial County employees and retirees who have ten years or more, but less than twenty years of County service at the time that this Act is initially adopted	5%
All non-represented/managerial County employees and retirees who have twenty years or more of County service at the time that this Act is initially adopted	0%

Section 2. All non-represented/managerial employees, including those at Westchester Community College and the District Attorney's Office, who are retired prior to the effective date of this Act shall not be required to contribute to the overall cost of the premium rate of the basic County health insurance plan as set forth above, but shall continue to pay the amount of contribution, if any, as otherwise required by law. All non-represented/managerial employees including those at Westchester Community College and the District Attorney's Office, who retire after the effective date of this Act shall only be required to contribute the above referenced contribution with respect to the overall cost of the premium rate of the basic County health insurance plan.

Section 3. In accordance with the provisions of New York State Municipal Home Rule Law §23(2)(e) and the Laws of Westchester County §209.161, the requirements set forth in Section 1 above shall not apply to County elected officials until the completion of their current terms of office (*i.e.* January 1, 2012 or January 1, 2014, as applicable).

Section 4. In accordance with the provisions of New York State County Law §201, the requirements set forth in Section 1 above shall not apply to County officials appointed for a fixed term of office until the completion of their current terms of office, unless such reduction is otherwise approved by a local law subject to a referendum on petition.

Section 5. With respect to the position of District Attorney, the requirements set forth in Section 1 above shall only apply to the extent that such contribution would not violate the requirements set forth in New York State Judiciary Law §183-a.

Section 6. With respect to the position of Commissioner of the Department of Public Safety/Sheriff, the requirements set forth in Section 1 above shall only apply to the extent that such contribution would not violate the requirements set forth in New York State General Municipal Law §207-m.

Section 7. This Act shall take effect on July 1, 2010 and shall expire on December 31, 2010, subject to renewal or continuation by Act as may be necessary.

RESOLUTION NO. – 2010

RESOLVED, that this Board hold a public hearing pursuant to Section 209.141(4) of the Laws of Westchester County on Local Law Intro. No. 2010, entitled “A LOCAL LAW to Require Certain Non-Represented/Managerial Employees Serving a Fixed Term of Office to Contribute to the Overall Cost of the Premium Rate of the Basic County Health Insurance Plan.” The public hearing will be held at .m. on the day of , 2010 in the Chambers of the Board of Legislators, 8th Floor, Michaelian Office Building, White Plains, New York. The Clerk of the Board shall cause notice of the time and date of such hearing to be published at least once in one or more newspapers published in the County of Westchester and selected by the Clerk of the Board for that purpose in the manner and time required by law. Copies of the proposed amended legislation are on file in the office of the Clerk of the Board of Legislators and may be inspected there by any interested party during regular business hours.

Please further note that such proposed law is subject to a permissive referendum pursuant to New York State County Law §201 and New York State Municipal Home Rule Law §24(2)(h) as this proposed local law would diminish the salary of County officers appointed for fixed terms during their current terms of office.

LOCAL LAW INTRO. NO. – 2010

A LOCAL LAW to Require Certain
Non-Represented/Managerial
Employees Serving a Fixed Term of
Office to Contribute to the Overall
Cost of the Premium Rate of the Basic
County Health Insurance Plan.

BE IT ENACTED by the County Board of the County of Westchester as follows:

Section 1. Act No. – 2010 entitled “AN ACT to Require Certain Non-Represented/Managerial Employees and Retirees (including those at the Westchester Community College and the District Attorney’s Office) and All County Elected Officials to Contribute to the Overall Cost of the Premium Rate of the Basic County Health Insurance Plan” is hereby made applicable to certain County officers appointed for a fixed term of office in accordance with New York State County Law and New York State Municipal Home Rule Law.

Section 2. The Clerk of the Board shall, within five days of the passage of this Local Law, cause a notice of passage of this Local Law to be published at least once in one or more newspapers published in the County of Westchester, selected by the Clerk for that purpose, said notice to contain the number, the date of passage and a true copy of this Local Law and a statement that it is subject to a permissive referendum, pursuant to New York State County Law §201 and New York State Municipal Home Rule Law §24(2)(h).

Section 3. This Local Law shall take effect forty-five days after its passage.