

HATC Action Item 6C
April 6, 2017

Resolution No. HATC-2017-06: To Approve A Policy Statement regarding Employee Medical Plan Deductible Reimbursement.

WHEREAS, The Housing Authority of Travis County pays 100% of the medical, dental, and vision insurance premium for its employees; and

WHEREAS, During the period whereby the cost for HATC's medical plan deductible experienced a significant increase of over 200%, HATC leadership saw fit to mitigate staff's out-of-pocket expenses via the provision of a reimbursement; and

WHEREAS, Since March 2014, the HATC medical plan deductible expense has decreased significantly, and within a reasonable standard, no longer compelling the agency to off-set this reduced out-of-pocket expense.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of HATC hereby:

1. Approves Resolution No. HATC-2017-06,
2. Authorizes the CEO/Executive Director to execute all necessary documents and extensions.

Passed and approved the 6th day of April 2017.



John Hernandez, Chair, Board of Commissioners

Attested and approved as to form:



Patrick B. Howard, CEO/Executive Director

Patrick B. Howard, CEO/Executive Director

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Resolution No. HATC-2017-06: To Approve A Policy Statement regarding Employee Medical Plan Deductible Reimbursement.

Background Information:

In an effort to minimize employee out-of-pocket medical expenses related to deductible and co-pay, on February 17, 2011, the current Housing Authority Executive Director issued a statement, notifying TML and staff of the agency's willingness to reimburse employees for their medical plan deductible once it exceeded "\$350.00, to a maximum of \$1,400.00, during the medical plan year."

This action was deemed appropriate given the fact that, at the time this statement was issued, the medical plan deductible was increasing from \$800 to \$1,750 per employee – a more than double the cost.

On March 1, 2014, the medical plan deductible was reduced to \$750 – \$50 lower than the actual amount at the time this accommodation was put in place.

After discussing the issue with the Governance, Finance and Administration Standing Committee, it was concluded that this compensation to staff was no longer warranted given the recent reduction in the amount of the actual employee out-of-pocket medical plan deductible expense.

Requested Action:

Consideration and appropriate action regarding Resolution No. HATC-2017-06, To Approve A Policy Statement regarding Employee Medical Plan Deductible Reimbursement.

Alternate Option:

The Board of Commissioners could elect to Not Approve the proposed *Policy Statement*, and continue to reimburse employees for medical plan deductible expenses.

Fiscal Impact:

TBD

Attachment:

Note To TML IEBP Employee Medical Insurance File, dated February 17, 2011.

Prepared and Approved by:



Patrick B. Howard, CEO/Executive Director

NOTE TO TML IEBP EMPLOYEE MEDICAL INSURANCE FILE

February 17, 2011

Effective on the TML IEBP employee medical insurance plan renewal date of March 1, 2011, the medical plan deductible will increase from \$800 per employee to \$1,750 per employee. To assist each employee minimize their out of pocket deductible and co-pay expenses, the Housing Authority of Travis County will reimburse an employee's deductible expense above \$350.00, to a maximum of \$1,400.00, during the medical plan year. The employee shall present evidence of having met at least \$350.00 of the medical plan deductible, such as the summary of benefits issued by TML. An employee is eligible for deductible reimbursement immediately upon having paid at least \$350 in deductible expense. The maximum reimbursement amount offered to an employee during the medical insurance plan year is \$1,400.00.

Craig B. Alter
Executive Director

