

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

ORDINANCE No. 629

An Ordinance relating to retiree medical insurance for employees not covered by collective bargaining agreements and amending ordinances nos. 534 and 295; and declaring an emergency.

Multnomah County ordains as follows:

Section One. Findings.

1. Multnomah County, Oregon (hereinafter "County") employs a variety of individuals in managerial capacities referred to as "Exempt" employees.
2. Certain of the County's union-represented employees enjoy, upon retirement, a limited county-paid retiree medical insurance benefit.
3. It appears Exempt retirees receive similar benefits based on historic administrative direction.
4. It is the desire of the Board of County Commissioners to extend this benefit to Exempt employees as a matter of Board policy, subject to certain limitations.

Section Two. Amendment. The following section is added to Exhibit B of Ordinance 534:

"Retiree Medical insurance.

- a. For purposes of this Section, a "retiree" refers to a person who retired from the County on or after the effective date of this Section and, at the time of retirement, occupied a position covered by the "Exempt" compensation plan. For purposes of this Section, "member" refers to an active employee(s) in a position covered by the "Exempt" compensation plan.
- b. Except as otherwise provided by this section, retirees may continue to participate in the County medical plan available to members, but not in other County plans not available to members. Coverage of eligible

dependents uniformly terminates when coverage of the retiree terminates, except as otherwise required by applicable state or federal law.

c. To the extent members are permitted to choose from among two (2) or more medical insurance plans, retirees shall be permitted to choose between the same plans under the same conditions and at the same time as apply to members. Retirees participating in the members' medical insurance plan shall be subject to the application of any change or elimination of benefits, carrier, administrator or administrative procedure to the same extent and at the same time as are members.

d. The retiree shall be responsible for promptly notifying the Benefits Manager (Employee Services Division, Dept. of General Services), in writing, of any changes in the retiree's current address and of any changes in retiree or dependent eligibility for coverage.

e. The County shall pay one-half (1/2) of the monthly medical insurance premium on behalf of a retiree and his or her eligible dependents from the retiree's fifty-eight (58th) birthday or date of retirement, whichever is later, until the retiree's sixty-fifth (65th) birthday, death, or eligibility for Medicare, whichever is earlier, if the retiree had:

i. five (5) years of continuous county service immediately preceding retirement at or after age fifty-eight (58) years, or

ii. ten (10) years of continuous county service immediately preceding retirement prior to age fifty-eight (58) years, or

iii. ten (10) years of continuous county service immediately preceding retirement in the event of disability retirement.

f. Actual application for Medicare shall not be required for a finding that a retiree is "eligible for Medicare" under subsection e. of this section.

g. Part-time service in a regular budgeted position shall be pro-rated for purposes of the service requirements under subsection "e" of this section. (For example, twenty (20) hours per week for two (2) months would equal one (1) month toward the applicable service requirement.)

h. In addition to the other requirements of this section, continued medical plan participation or benefit of County contributions is conditioned on the retiree's continuous participation in the members' medical insurance plan from the time of retirement, and upon the retiree's timely payment of the applicable retiree portion (i.e., 50% or 100%, as applicable) of the monthly premium. Failure to continuously participate or make timely and sufficient payment of the applicable retiree portion of the monthly premium shall terminate the retiree's rights under this section. Payments by retirees of their portion of the monthly premiums under this section shall be timely if the retiree has directed P.E.R.S. to regularly deduct his or her portion of the monthly premium from his or her pension check and remit the proceeds to the County's collection agent, or if it is received by the County's collection agent each month at least thirty (30) days prior to the month for which the resulting coverage will apply. The Employee Services Division shall inform the retiree at the time he or she signs up for continued medical insurance coverage of the identity and address of the County's collection agent and shall thereafter inform the retiree of any change in collection agent at least forty-five (45) days prior to the effective date of such change.

i. In the event County medical insurance premium payments on behalf of retirees or their dependents are made subject to state or federal taxation, any additional costs to the County shall be directly offset against such payments required under this Section. (For example, if the effect on the

County of the additional tax is to increase the County's outlay by an amount equivalent to ten percent (10%) of aggregate monthly retiree premium, the County's contribution shall be reduced to 40% of premium so that net County costs will remain unchanged.)

Section Three. Amendment. Section 2 of ordinance no. 295 is amended to read as follows:

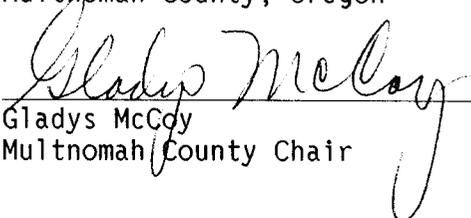
"Section 2. Retiree Health Benefits. Subject to eligibility conditions set forth in Sections 3 and 4 of this Ordinance, the County shall make available to eligible persons medical and hospital benefits comparable to any benefit or plans available to active employees[.] ; PROVIDED, that this ordinance No. 295 shall not apply to retirees as defined under Section Two of Exhibit B of Ordinance No. 534."

Section Four. Adoption. This Ordinance, being necessary for the health, safety, and general welfare of the people of Multnomah County, an emergency is declared and the Ordinance shall take effect upon its execution by the County Chair, pursuant to Section 5.50 of the Charter of Multnomah County.

ADOPTED this 21st day of November, 1989, being the date of its 1st reading before the Board of County Commissioners of Multnomah County.

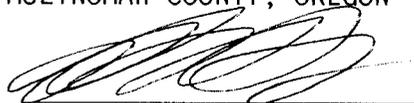
(SEAL)

Board of County Commissioners of
Multnomah County, Oregon


Gladys McCoy
Multnomah County Chair

Reviewed:

LAURENCE KRESSEL, COUNTY COUNSEL
FOR MULTNOMAH COUNTY, OREGON

By: 

Mark Williams
Deputy County Counsel