

1                   BEFORE THE BOARD OF COUNTY COMMISSIONERS

2                   FOR MULTNOMAH COUNTY, OREGON

3                   ORDINANCE NO. 741

4  
5                   An Ordinance relating to retiree medical insurance for  
6 employees not covered by collective bargaining agreements  
7 repealing Ordinance Nos. 629 and 670, and amending Ordinance  
8 No. 295.

9                   Multnomah County ordains as follows:

10                  Section I. Findings

11                   A. Multnomah County, Oregon (hereinafter "County")  
12 employs a variety of individuals not covered by collective  
13 bargaining agreements referred to as "Exempt" employees

14                   B. Certain of the County's union-represented  
15 employees enjoy, upon retirement, a limited County-paid retiree  
16 medical insurance benefit

17                   C. It is the desire of the Board of County  
18 Commissioners, as expressed in Ordinance Nos. 629 and 670, to  
19 extend this benefit to Exempt employees as a matter of Board  
20 policy, subject to certain limitations

21                   D. It is the desire of the Board that the exempt  
22 employee retiree medical insurance benefit be contained in one  
23 ordinance for clarity and ease of administration.

Section II. Retiree Medical Insurance

A. For purposes of this Ordinance, a "retiree" refers to a person who retired from the County on or after the effective date of Ordinance No 629 and, at the time of retirement, occupied a position covered by the "Exempt" compensation plan. For purposes of this Ordinance, "member" refers to an active employee(s) in a position covered by the "Exempt" compensation plan

B. Except as otherwise provided by this Ordinance, 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 members

D. The retiree shall be responsible for promptly notifying the Benefits Administrator (Employee Services

1 Division), in writing, of any changes in the retiree's current  
2 address and of any changes in retiree or dependent eligibility  
3 for coverage.

4 E. The following terms related to benefit payments,  
5 service, and age requirements shall also apply:

6 1. The County shall pay one-half (1/2) of the  
7 monthly medical insurance premium on behalf of a retiree and  
8 his or her eligible dependents from the retiree's fifty-eighth  
9 (58th) birthday or date of retirement, whichever is later,  
10 until the retiree's sixty-fifth (65th) birthday, death, or  
11 eligibility for Medicare, whichever is earlier, if the retiree  
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13 a. Five (5) years of continuous County  
14 service immediately preceding retirement at or after age  
15 fifty-eight (58) years, or

16 b. Ten (10) years of continuous County  
17 service immediately preceding retirement prior to age  
18 fifty-eight (58) years, or

19 c. Ten (10) years of continuous County  
20 service immediately preceding retirement in the event of  
21 disability retirement

22 2. The County shall pay one-half (1/2) of the  
23 monthly medical insurance premium on behalf of a retiree and  
24 his or her eligible dependents from the retiree's fifty-fifth  
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1 (55th) birthday or date of retirement, whichever is later,  
2 unt the retiree's sixty-fifth (65th) birthday, death, or  
3 eligibility for Medicare, whichever is earlier, if the employee  
4 had thirty (30) years of continuous service with employers who  
5 are members of the Oregon Public Employee Retirement System and  
6 twenty (20) or more years of continuous County service  
7 immediately preceding retirement; provided however, that  
8 employees employed on or before July 1, 1992, who are eligible  
9 for PERS regular retirement with thirty (30) years of PERS  
10 service and twenty (20) years of County service shall be  
eligible for County payment of half the medical premium without  
12 waiting until age 55

13 F. Actual application for Medicare shall not be  
14 required for a finding that a retiree is "eligible for  
15 Medicare" under subsection E of this section

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

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

21 I. In the event County medical insurance premium  
22 payments on behalf of retirees or their dependents are made  
23 subject to state or federal taxation, any additional costs to  
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1 the County shall be directly offset against such payments  
2 required under this Section (For example, if the effect on  
3 the County of the additional tax is to increase the County's  
4 outlay by an amount equivalent to ten percent (10%) of  
5 aggregate monthly retiree premium, the County's contribution  
6 shall be reduced to 40% of premium so that net County costs  
7 will remain unchanged.)

### 8 Section III Amendment

9 A. Section 2 of Ordinance No 295 is amended to read  
10 as follows:

1 "Section 2. Retiree Health Benefits. Subject to  
12 eligibility conditions set forth in Sections 3 and 4 of this  
13 Ordinance, the County shall make available to eligible persons  
14 medical and hospita benefits comparable to any benefit or  
15 plans available to active employees. [PROVIDED, that this  
16 Ordinance No. 295 shall not apply to retirees as defined under  
17 Section Two of Exhibit B of Ordinance No. 534.] Persons who  
18 are eligible for retiree health benefits under Ordinance  
19 No. \_\_\_\_\_ shall receive benefits thereunder, not under  
20 Ordinance No. 295."

1 B. Ordinance Nos. 629 and 670 are hereby repealed

2 ADOPTED this 3rd day of December

3 1992, being the date of its second reading before  
4 the Board of County Commissioners of Multnomah County, Oregon.

5 By Gladys McCoy  
6 Gladys McCoy, Chair  
7 MULTNOMAH COUNTY, OREGON

8 REVIEWED:

9 Laurence Kressel  
10 Laurence Kressel, County Counsel  
11 of Multnomah County, Oregon  
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