

ENROLLED ORDINANCE 160-82

MODIFY PRESCRIPTION DRUG BENEFITS AND PREMIUM POLICY
UNDER THE RETIREE HEALTH INSURANCE PLAN

WHEREAS Waukesha County offers a retiree health insurance program to eligible employees, and

WHEREAS the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (PL108-173) provides Medicare-eligible individuals with prescription drug benefits beginning in 2006, and

WHEREAS the basic Medicare Part D drug benefit includes a \$250 deductible and a coverage gap when an individual's combined drug costs reach \$2,250, followed by catastrophic coverage when an individual's true out-of-pocket expenses reach \$3,600, and

WHEREAS it is desirable to take advantage of the Medicare subsidy provided under Medicare Part D in order to lower health insurance premium costs for Medicare – eligible retirees, and

WHEREAS the County's retiree dual option health insurance plan administrator has developed a Medicare Part D prescription drug benefit design that includes benefit coverage through the \$250 Medicare Part D deductible, but no coverage through the Medicare Part D coverage gap, resulting in a premium reduction that will offset a portion of the retiree cost associated with the coverage gap, and

WHEREAS the County's alternative Medicare Advantage health insurance plan option has also developed a Medicare Part D prescription drug benefit design that will provide benefit coverage through the \$250 Medicare Part D deductible and through the Medicare Part D coverage gap, and

WHEREAS the retiree health insurance plans benefit and premium structures were redesigned in 2005, which resulted in lower premium costs for retirees and the elimination of the County's premium subsidy and unfunded liability obligations, and

WHEREAS the County's previous policy permitted new retirees to be billed at the lesser of the active employee plan premium rate or the retiree plan premium rate based upon the assumption that both plans provided the same benefit design coverage.

THE COUNTY BOARD OF SUPERVISORS OF THE COUNTY OF WAUKESHA DOES ORDAIN that the following prescription drug benefit and premium policy modifications will be made to the Waukesha County Retiree Dual Option Health Insurance Plan.

- A. Effective 01/01/2006, modify the Waukesha County retiree dual option health insurance plans prescription drug benefit for Medicare-eligible retirees, as follows:
 1. Modify the prescription drug co-payment from \$10 generic drug / \$30 preferred brand name drug / \$50 non-preferred drug / \$100 specialty drug to \$5 generic drug / \$28 preferred brand name drug / \$56 non-preferred drug / 25% specialty drug.

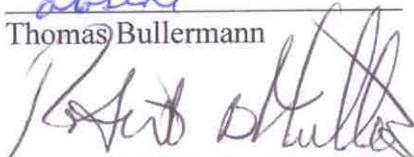
2. Prescription drug benefit coverage will not be provided when an individual's combined drug costs reach \$2,250 (Medicare Part D coverage gap).
 3. Medicare Part D Catastrophic coverage will be provided once an individual's total drug out-of-pocket expenses reach \$3,600, at the following levels;
 - i. Generic drugs – the greater of a \$2 co-pay or 5% co-insurance
 - ii. All other drugs – the greater of a \$5 co-pay or 5% co-insurance.
- B. Effective 01/01/2007, eliminate the existing policy of billing new retirees at the lesser of the active employee health plan premium rate or the retiree health plan premium rate during the first eighteen (18) months of retirement. Employees who retire on or after 01/01/2007 will be billed at the applicable retiree health plan premium rate.

MODIFY PRESCRIPTION DRUG BENEFITS AND PREMIUM POLICY
UNDER THE RETIREE HEALTH INSURANCE PLAN

Presented by:
Personnel Committee


Duane E. Paulson, Chair


Genia C. Bruce

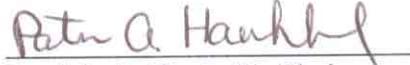
absent
Thomas Bullermann

Robert Hutton

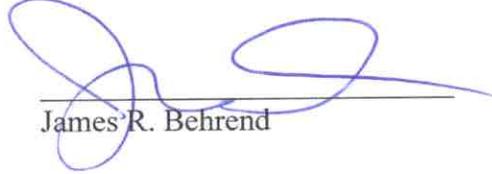

Bonnie J. Morris


Jeff Morris


Robert G. Thelen II

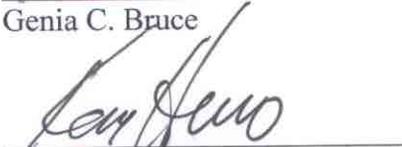
Approved by:
Finance Committee


Patricia A. Haukohl, Chair


James R. Behrend

absent
Donald M. Broesch

absent
Genia C. Bruce


Kenneth C. Herro

absent
Joe C. Marchese

absent
Bonnie J. Morris


James T. Dwyer

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, was presented to the County Executive on:

Date: 11-23-05, 
Kathy Nickolaus, County Clerk

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, is hereby:

Approved:
Vetoed:

Date: 11/28/05, 
Daniel P. Vrakas, County Executive

WAUKESHA COUNTY BOARD OF SUPERVISORS

V

DATE-11/22/05

(ORD) NUMBER-1600083

1 K. HERRO.....AYE
 3 D. STAMSTA.....AYE
 5 J. MARCHESE.....AYE
 7 J. JESKEWITZ.....AYE
 9 P. HAUKOHL.....AYE
 11 K. HARENDA.....
 13 J. MORRIS.....AYE
 15 D. SWAN.....AYE
 17 J. BEHREND.....AYE
 19 W. MITCHELL.....AYE
 21 W. KOLB.....AYE
 23 J. TORTOMASI.....
 25 K. CUMMINGS.....AYE
 27 D. PAULSON.....AYE
 29 T. BULLERMANN.....AYE
 31 V. STROUD.....AYE
 33 D. PAVELKO.....AYE
 35 C. SEITZ.....

2 R. THELEN.....AYE
 4 R. HUTTON.....
 6 D. BROESCH.....
 8 J. DWYER.....AYE
 10 S. WOLFF.....AYE
 12 B. RONCKE.....AYE
 14 A. KALLIN.....
 16 R. MANKE.....AYE
 18 B. MORRIS.....
 20 M. KIPP.....AYE
 22 G. BRUCE.....
 24 B. KRAMER.....AYE
 26 S. KLEIN.....AYE
 28 P. JASKE.....AYE
 30 K. NILSON.....AYE
 32 P. GUNDRUM.....
 34 R. SINGERT.....AYE

TOTAL AYES-26

TOTAL NAYS-00

CARRIED _____

DEFEATED _____

UNANIMOUS X

TOTAL VOTES-26