



St. Bernard Parish Council

8201 West Judge Perez Drive Chalmette, Louisiana, 70043
(504) 278-4228 Fax (504) 278-4209
www.sbpq.net

#43

Guy McInnis
Councilman
at Large

George Cavignac
Councilman
at Large

Ray Lauga, Jr.
Councilman
District A

Nathan Gorbaty
Councilman
District B

Richard "Richie" Lewis
Councilman
District C

Casey W. Hunnicutt
Councilman
District D

**Manuel "Monty"
Montelongo III**
Councilman
District E

Roxanne Adams
Clerk of Council

EXTRACT OF THE OFFICIAL PROCEEDINGS OF THE COUNCIL OF THE PARISH OF ST. BERNARD, STATE OF LOUISIANA, TAKEN AT A REGULAR MEETING HELD IN THE COUNCIL CHAMBERS OF THE ST. BERNARD PARISH GOVERNMENT COMPLEX, 8201 WEST JUDGE PEREZ DRIVE, CHALMETTE, LOUISIANA ON TUESDAY, OCTOBER 21, 2014 AT THREE O'CLOCK P.M.

On motion of Mr. Cavignac, seconded by Mr. Lewis, it was moved to **adopt** the following ordinance:

ORDINANCE SBPC #1564-10-14

Summary No. 3138

Introduced by: Administration on 9/2/14
EFC recommended **APPROVAL** on 10/2/14
Public hearing held on 10/7/14
Tabled on 10/7/14 until 10/21/14

AN ORDINANCE OUTLINING GROUP HEALTH, LIFE AND DENTAL INSURANCE BENEFITS FOR ELIGIBLE EMPLOYEES AND RETIREES OF THE ST. BERNARD PARISH GOVERNMENT.

WHEREAS, it is the desire of the St. Bernard Parish Council to rescind and replace the original Ordinance adopted on September 4, 2007 titled Ordinance SBPC #775-09-07 "An ordinance outlining group health, life and dental insurance benefits for active employees and retirees of the St. Bernard Parish Government."

ST. BERNARD PARISH COUNCIL DOES HEREBY ORDAIN:

SECTION 1. NOW, THEREFORE, BE IT ORDAINED by the Parish Council of the Parish of St. Bernard, State of Louisiana (The "Parish Council"), acting as the governing authority of the Parish of St. Bernard, State of Louisiana (The "Parish"), that:

SECTION 2. Retirees. For the purpose of group insurance benefits eligibility, a Retiree of the St. Bernard Parish Government is defined as those Employees of St. Bernard Parish Government, including the St. Bernard Parish Water Division, St. Bernard Parish District Attorney's Office, St. Bernard Parish Registrar of Voters' Office and the St. Bernard Parish Fire Department, who at the time of retirement, meet all of the following criteria:

1. Classified as an active, bona fide employee; and
2. Vested in the retirement system in both age and years of creditable service; and



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3. Receiving a check drawn against St. Bernard Parish Government funds in whole or in part as payment of their salary as an active employee or immediately prior to any excused leave of absence; and
4. Enrolled in or eligible for parish sponsored group benefits; and
5. Eligible to begin receiving a pension check from a retirement system listed below.
 - a. Parochial Employees Retirement System, PERS
 - b. Firefighters Retirement Service
 - c. Louisiana District Attorney's Association
 - d. Registrar of Voters Employees' Retirement System;

And in order to be eligible for group insurance benefits as a Retiree, the above are subject to:

1. Employees must be vested for a minimum of 10 years of creditable service in a St. Bernard Parish Government participating retirement system and the 10 creditable years must be served working for the St. Bernard Parish Government; and
2. In the event of a Disability Retirement, the employee must have served the minimum number of creditable years required under the disability guidelines of the participating retirement system working for the St. Bernard Parish Government.

As of the date of the adoption of this Ordinance, all active employees currently contributing to a St. Bernard Parish Government retirement system will be considered "Grandfathered" and eligible for group insurance benefits upon retirement based on age and years of creditable service as outlined in the guidelines of the participating retirement system.

For the purposes of this Ordinance, Library and Work Force Investment Act, "WIA" are not considered retirees of the St. Bernard Parish Government.

SECTION 3. Active Employees. For the purpose of group insurance benefits eligibility, an Eligible Employee of the St. Bernard Parish Government is defined as those Employees of St. Bernard Parish Government, including the St. Bernard Parish Water Division, St. Bernard Parish District Attorney's Office, St. Bernard



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Parish Registrar of Voters' Office and the St. Bernard Parish Fire Department, who are:

1. Classified as an active, bona fide employee; and
2. Meet the minimum hours of work mandated under Health Care Reform and all other eligibility provisions required by group insurance guidelines; and
3. Receiving a check drawn against St. Bernard Parish Government funds in whole or in part as payment of their salary as an active employee or immediately prior to any excused leave of absence.

For the purposes of this Ordinance, Library and Work Force Investment Act, "WIA" are not considered employees of the St. Bernard Parish Government.

SECTION 4. Group Insurance.

It is the intent of the St. Bernard Parish Government to provide group health, life and Fire Department dental benefits to Eligible Employees and Retirees. If at some time in the future, the government is unable to afford to obtain these benefits and must either reduce its monetary contribution or cease to provide group health, life or dental benefits, both active and retired employee benefit premium contributions will similarly be reduced or ceased.

The St. Bernard Parish Government may offer one group insurance plan for both active and retired employees, separate group insurance plans for active and retired employees (pre-65 retirees and/or post 65 retirees) or any combination depending on market availability of product and price. Neither type of coverage or benefit contribution is vested.

It is the responsibility of each employee/retiree to apply for benefits. Enrollment is not automatic unless set forth by Health Care Reform. No retroactive benefits will be provided.

St. Bernard Parish Government will not provide Executive Benefits or additional benefits nor make higher premium contributions on behalf of directors, managers or other select individuals.

"COBRA" –The Consolidated Omnibus Budget Reconciliation Act hereafter referred to as "COBRA" will be applied according to federal guidelines for each applicable



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group plan offered by the St. Bernard Parish Government. The St. Bernard Parish Government will not make any contribution towards the COBRA premium.

SECTION 5. Allocation of Premiums. The allocation of health, life and dental premiums are as follows:

Health Insurance:

1. St. Bernard Parish Government Employees & Retirees:
 - a. Single Coverage - The St. Bernard Parish Government shall pay 100% of the monthly Single coverage insurance premium for Eligible Employees and Retirees who are enrolled in the St. Bernard Parish Government group health insurance program.
 - b. Family Coverage – The St. Bernard Parish Government shall pay 40% towards the monthly Dependent cost for Employees and Pre-65 Retirees who elect Family Coverage. The Employee and Pre-65 Retiree shall be responsible for pay 60% of the monthly Dependent cost. (The Dependent cost is determined by subtracting the billed Single premium from the billed Family premium.)

Post-65 Retirees Family Coverage – The St. Bernard Parish Government shall not contribute towards the cost of the Post-65 Dependent premium.

2. Fire Department Employees & Retirees:
 - a. The St. Bernard Parish Government shall pay 70% of the monthly group insurance premium for Eligible Fire Department Employees and Retirees whether Single or Family coverage is elected under the St. Bernard Parish Government group health insurance program.
 - b. Fire Department Employees and Retirees shall be responsible for paying 30% of the monthly group insurance premiums whether Single or Family coverage is elected under the St. Bernard Parish Government group health insurance program.
 - a. If the employee's 30% contribution of the monthly group insurance Premium is higher than the Health Care Reform Act, "Affordable" healthcare guideline(s), using the safe harbor method(s) applied by St. Bernard Parish Government, the affected employees' monthly group Insurance premium will be adjusted accordingly as mandated.



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Orphaned Dependents: "Orphan Dependents" is an insurance industry term that applies if a Retiree is eligible for Medicare and enrolled in the Post-65 group health insurance program but their spouse and/or dependent(s) are not eligible for Medicare. Eligible dependent(s) will be allowed to remain on the group insurance plan offered to the Active Employee and Pre-65 Retirees until such time they cease to be an eligible dependent or become eligible for Medicare. The Retiree shall be responsible for paying the applicable Dependent cost under the group policy(ies) that both the Post-65 Retiree and any Dependents are insured. Dependent coverage is subject to group insurance policy eligibility, guidelines and provisions.

Allocation of Premium Cap: Should the group hospitalization insurance premiums increase by more than 25% in a calendar year, the allocation of premiums as stated in this Ordinance shall be revisited.

Life Insurance:

Life Insurance is paid at 100% by the St. Bernard Parish Government for:

Active Employees:

- a. \$10,000 minimum coverage on eligible employees; and
- b. \$1,000 for each eligible dependent

Retired Employees:

- a. \$10,000 minimum coverage on eligible retirees.

Dental Insurance:

Parish Government Employees and Retirees:

- a. The dental plan offered to eligible employees and retirees will be a voluntary product.
- b. The St. Bernard Parish Government shall have no responsibility to pay any portion of the group dental insurance premium.

Fire Department Employees and Retirees:

- a. The St. Bernard Parish Government shall be responsible for paying 70% of the monthly group insurance premium for all Eligible Employees and Retirees whether single or family coverage is elected under the group insurance plan
- b. Eligible Employees and Retiree shall be responsible for paying 30% of the monthly group insurance premiums whether single or family coverage is elected under the group insurance plan.



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All employee/retiree insurance premiums contributions must remain current and paid up-to-date. Delinquent premiums may result in coverage being cancelled from the last month paid.

SECTION 6. Medicare Eligible Retirees.

All retirees who are Medicare eligible must elect Medicare Parts A & B, and Part D in certain circumstances, and pay all necessary premiums. Participation in a St. Bernard Parish Government sponsored group medical plan is contingent upon Medicare enrollment. St. Bernard Parish Government does not reimburse the Retiree for any Medicare premiums.

Non-Eligible Medicare Retirees – Any Retiree who is not eligible for Medicare will be allowed to stay on the group health plan with the same "in-force" health benefits as active employees subject to group insurance policy eligibility, guidelines and provisions.

SECTION 7. Health Care Reform. The enactment of comprehensive health care reform has many implications for employers and employees. St. Bernard Parish Government's future group coverage decisions for both active and retired employees will be determined by these complex changes to the health care markets and systems. Many decisions regarding Retiree coverage are likely to be influenced by the availability and modifications of Medicare. It is the intent of the St. Bernard Parish Government to maintain our role in providing health insurance for both active and retired employees in accordance with the evolving Patient Protection and Affordable Care Act and its regulations.

SECTION 8. Severability. Should any provision of this Ordinance or the application thereof be hereafter held to be invalid or contrary to Health Care Reform or any other federal, state or local law, or any group insurance provisions or guidelines, the invalidity or default shall not affect other provision or application of this Ordinance; and provisions of this Ordinance are hereby declared severable.

SECTION 9. Effective Date. This Ordinance shall become effective immediately upon authorizing signature by the Parish President and beginning January 1, 2015. In the event of a presidential veto, this Ordinance shall become effective upon a two-thirds favorable vote of the total membership of the Council pursuant to Sections 2-11 and 2-13 of the St. Bernard Parish Home Rule Charter.



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The above and foregoing having been submitted to a vote, the vote thereupon resulted as follows:

YEAS: Gorbaty, Lewis, Hunnicutt, Cavignac

NAYS: None

ABSENT: Lauga, Montelongo

The Council Chair, Mr. McInnis, cast his vote as **YEA**.

And the motion was declared **adopted** on the 21st day of October, 2014.

ROXANNE ADAMS
CLERK OF COUNCIL

GUY MCINNIS
COUNCIL CHAIR

Delivered to the Parish President

10/24/2014 11:10AM
Date and Time

Approved _____

Vetoed _____

Parish President

David E. Peralta

Returned to Clerk of the Council

10/24/2014 1:40PM
Date and Time

Received by