

City of Lawrence
Administrative Policy

Subject Employee Benefit Policy	Applies to: Eligible City Employees	Effective Date October 1, 2004
Approved by City Commission 9/21/04	Total Pages 5	Policy Number 100

1.0 Purpose

The City of Lawrence provides a benefit program, a component of the compensation package, for its employees. The City recognizes that qualified employees are one of the organization's greatest and largest resources, lending support to the organization's mission to provide excellent city services to the Lawrence community. Geographically, the City competes against leading organizations (public and private) in the state for qualified workers. The benefit program is considered an investment in the continued maintenance and productivity of the abovementioned resource, the organization's employees. Therefore, it is the policy of the City of Lawrence to provide a competitive employee benefit program designed to attract, motivate, and retain a qualified workforce to support the organization's goals. The benefit program should be fair, equitable, and promote goodwill.

Benefits are defined as monetary or non-monetary programs provided to employees in whole or in part by the City of Lawrence, in addition to wages paid for hours worked, that add value to their total compensation package. Benefits are categorized into groups, including legally mandated benefits, health and welfare, retirement, paid time off, and other miscellaneous benefits, which together comprise the total benefit program.

The benefit program is managed by the Human Resources division of the City Manager's Office. With the assistance of the City's Benefit Committee, the Benefits Specialist reviews the benefit programs on a regular basis. The Benefits Committee is selected by the Human Resources division and comprised of employees from throughout the organization that represent various employee groups such as the ERC, IAFF, LPOA, supervisors, and division managers. Recommendations for change to the City's benefit program will be submitted by the Benefit Committee to the City Manager for review and further action, as appropriate. If recommended changes have a financial impact, the City Commission will review and act upon the changes as a part of the following year's annual budget process.

2.0 Benefit Program Goals and Objectives

1. The benefit program should be competitive within the City's primary market.

- a. The primary market as defined by the 2003 Compensation Study is “a set of organizations that both share the City’s labor market and have a high number of matches with City benchmark positions.” Those organizations¹ have been identified as:
 - i. Lee’s Summit
 - ii. Lenexa;
 - iii. Olathe;
 - iv. Overland Park;
 - v. Shawnee;
 - vi. Topeka; and
 - vii. Unified Government of Wyandotte County/Kansas City, KS.
 - b. The benefit program should rank at approximately the average level of the primary market for benefits as a percentage of payroll and per capita spending. As resources become available, the City will attempt to incrementally increase its position within the primary market.
 - c. For informational purposes, the benefit program may be compared to those of other local and regional employers outside of the primary market.
 - d. Elements of the benefit program should be reviewed every 2-4 years or more frequently, if necessary, to ensure they are comparable with other similar organizations. See the attached schedule A.
2. Modifications to the benefit program should consider industry best practices as well as current actual applications by the primary market.
 3. The benefit program should fairly consider the needs of the workforce.
 - a. The makeup of the benefit program should address the needs of the majority of the workforce.
 - b. Benefit programs should take into consideration the demographic makeup of the workforce (i.e. single wage vs. dual wage earning households, married vs. single households, average age of workforce, etc.).
 - c. Employees should be surveyed periodically to:
 - i. Identify their needs;
 - ii. Allow employees to prioritize the relative value of specific benefits; and

¹ The organizations listed represent the combined primary markets of the Primary, Police, and Fire Pay Plans.

- iii. Rate their satisfaction with and quality of current benefits.
4. The benefit program should attract and retain employees and reward continued employment.
 - a. The benefits package should be competitive with the primary market in order to attract prospective qualified employees.
 - b. Elements of the benefit program, as deemed appropriate should provide enhancements triggered by length of service to recognize the value of tenured employees and encourage the long-term retention of employees.
 - c. The benefit program should encourage employees to remain employed past the date they are first eligible to retire.
 5. All full time regular employees should have similar and in most cases equal benefit programs.
 - a. Differences in benefit programs should be implemented only when job related needs are identified or when survey data shows a difference in benefit programs between work groups.
 - b. Program structures should remain equitable (well-balanced) across the groups.
 - c. Elements of the benefit program may be made available to part time regular and extraboard employees on a prorated basis when fiscally feasible.
 - d. Elements of the benefit program are generally not available to full- and part-time employees in temporary positions.
 6. The benefit program should be consistent with current City Commission, City Management, and Department Goals and Objectives.
 - a. Return on Investment (ROI) should be calculated whenever possible in determining enhancements to benefit programs.
 - b. Elements of the program should be consistent with City policies i.e. overtime pay, attendance, return to work, etc.
 - c. The benefit program should not be used by City management as punitive measures to correct employee behavior or performance.

- d. Likewise, availability to elements of the benefit program should not be used as the indicator of minimum acceptable performance by employees.
- 7. The benefit program should be funded consistent with the level of resources available.
 - a. A survey of the primary market for benefits as a percentage of payroll and per capita benefit spending will be done on an annual basis.
 - b. The recommended funding for the benefits program will be designed as per 1(b).
 - c. Funding within the benefits program will be determined by:
 - i. Employee demographics, needs, and values; and
 - ii. Identified needs to meet organizational goals.
 - d. The allocation of benefit program resources will be based on the following criteria:
 - i. Benefits which are of most value to the greatest number of employees and in their relative priority as identified by employee surveys;
 - ii. Benefits that have been identified as below market competitiveness; and
 - iii. Program enhancements that will have a positive effect on the greatest number of employees.
- 8. The specific benefits within the benefit program may either be fully funded by the City of Lawrence, partially funded, or not receive any funding (sponsored). Qualifications for full or partial funding or sponsorship are:
 - a) Full funding
 - i. Impact at least 2/3 of all full time city employees;
 - ii. Be a value to 2/3 of city employees;
 - iii. Have value to the city;
 - iv. Be considered a necessity to the value or quality of quality of life or well being of the employee; and
 - v. Provide for the family of a city employee in case of lost wages.
 - b) Partial funding
 - i. Serve the majority of city employees;
 - ii. Be a value to the majority of city employees;

- iii. Have some benefit to the city;
- iv. Be a benefit that is not generally affordable to employees to pay all of the cost; and
- v. Be considered a necessity to the value or quality of life or well being of the employee.

c) Sponsorship

- i. Benefit a group of city employees and/or their family;
- ii. Facilitates things not normally affordable to employees;
- iii. Support City or Community initiatives;
- iv. Provide a convenience to city employees;
- v. Offers group discounts;
- vi. Work toward meeting city objectives or current goals; and
- vii. Aid employees in current trends or technology.

9. Regular communications with all employees concerning the benefit program should be practiced.

- a) The City should strive toward regular feedback from employees regarding the benefit program (at least on an annual basis).
- b) The benefit program should be designed to be understood by all employees and should be communicated to all employees so that each employee has an opportunity to understand the benefit program of the City of Lawrence.

City of Lawrence Group Health Care Plan and Health Care Flexible Spending Plan
(Referred to as “we” in this document)

NOTICE OF PRIVACY PRACTICES

As Required by the Privacy Regulations Created as a Result of the Health Insurance
Portability and Accountability Act of 1996 (HIPAA)

**THIS NOTICE DESCRIBES HOW PROTECTED HEALTH INFORMATION ABOUT YOU MAY BE
USED AND DISCLOSED AND HOW YOU CAN GET ACCESS TO THIS INFORMATION.**

PLEASE REVIEW IT CAREFULLY.

Attention: Protected health information means personal information that we maintain or receive about you that can identify you that relates to your past, present, or future physical or mental health or condition as well as the past, present, or future payment for the provision of health care to you. An example of protected health information is a health coverage enrollment form. We have always considered your privacy and the protection of your medical records and other personal health a top priority. To comply with the April 14, 2004 effective date of the HIPAA Privacy Rule, we are providing you with this written Notice of Privacy Practices. You can look at this Notice anytime to read about:

- ✓ Your rights about your health care records maintained and received by the City's Group Health Care Plans;
 - ✓ For what reasons we can use your health care records; and
 - ✓ When and to whom we can share health care information about you.
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Our Legal Duty

We are required by law to:

- Maintain the privacy of your protected health information;
- Provide you this notice of our legal duties and privacy policies with respect to your protected health information; and
- Agree to the terms of this notice that are currently in effect.

How We May Use and Disclose Medical Information About You

The following categories describe the different ways in which we may use and disclose protected health information about you. For each category, we will provide at least one example of how we may use or disclose your protected health information.

Treatment: When necessary to assist in your treatment, we may use or disclose your protected health information to a doctor, a hospital, or other health care provider. For example, we might disclose your protected health information when your doctor calls to get precertification for inpatient hospitalization that is medically necessary for you.

Payment: We may use and disclose your protected health information to pay claims from doctors, hospitals and other health care providers for services delivered to you that are covered by your health plan and to obtain premium payments. For example, we might disclose your protected health information when your doctor calls to certify that you are eligible for benefits under our group health plan so that he or she may be reimbursed for the provision of health care to you. We may disclose your protected health information to a health care provider or entity subject to the federal Privacy Rule so they can obtain payment or engage in these payment activities.

Health Care Operations: We may use and disclose your protected health information in connection with our health care operations. Two examples of health care operations are:

- Business management and general administrative activities, including management activities relating to privacy, customer service, resolution of internal grievances, and creating de-identified protected health information or a limited data set; and
- Evaluating plan costs and determining contributions for your health plan.

We may disclose your protected health information to another entity which has a relationship with you and is subject to the federal Privacy Rule for their health care operations.

On Your Authorization: You may give us written permission to use your protected health information or to give it to anyone for any purpose. You may withdraw your permission in writing at any time. Withdrawing your permission will not affect any use or disclosures permitted by your authorization while it was in effect. Unless you give us a written authorization, we cannot use or disclose your protected health information for any reason except those described in this notice.

To Your Family and Friends: We may share your protected health information to a family member, friend, or other person only to the extent necessary to help with your health care or with payment for your health care. We may use or disclose your name, location and general condition or death to notify, or assist in the notification of (including identifying or locating), a person involved in your care.

Before we disclose your protected health information to a person involved in your health care or payment for your health care, we will provide you with an opportunity to object to such uses or disclosures. If you are not present, or in the event of your incapacity or an emergency, we will disclose your protected health information based on our professional judgment of whether the disclosure would be in your best interest.

Disaster Relief: We may use or disclose your protected health information to a public or private entity authorized by law or by its charter to assist in disaster relief efforts.

Public Benefit: We may use or disclose your protected health information as authorized by law for the following purposes deemed to be in the public interest or benefit:

- As required by law;
- For public health activities, including disease and vital statistic reporting, child abuse reporting, FDA oversight, and to employers regarding work-related illness or injury;
- To report adult abuse, neglect, or domestic violence;
- To health oversight agencies;
- In response to court and administrative orders and other lawful processes;
- To law enforcement officials pursuant to subpoenas and other lawful processes, concerning crime victims, suspicious deaths, crimes on our premises, reporting crimes in emergencies, and for purposes of identifying or locating a suspect or other person;
- To coroners, medical examiners, and funeral directors;
- To organ procurement organizations;
- To avert a serious threat to health or safety;
- In connection with certain research activities;
- To the military and to federal officials for lawful intelligence, counterintelligence, and national security activities;
- To correctional institutions regarding inmates; and
- As authorized by state worker's compensation laws.

Health Related Products and Services. We may use your protected health information to contact you with information about:

- Health-related products or services;
- Replacements or enhancements to a health plan;
- Health-related products or services available only to a health plan enrollee that add value to a plan of benefits;

- Treatment alternatives; and
- Case management or care coordination.

We may disclose your protected health information to a business associate to assist us in these activities. We may use or disclose your protected health information to encourage you to purchase or use a product or service by face-to-face communication or to provide you with promotional gifts of nominal value.

Your Individual Rights

Right to Request Restrictions: You have the right to request that we place additional restrictions on our use or disclosure of your protected health information. You must make a request in writing to the Privacy Officer using the contact information listed at the end of this notice if you wish to request additional restrictions. We are not required to agree to these additional restrictions, but if we do, we will abide by our agreement (except in an emergency). Both your request and any agreement to additional restrictions must be in writing signed by the person making the request and (for our agreement) by a person authorized to make such an agreement on our behalf. We will not be bound unless our agreement is so stated in writing.

Right to Receive Confidential Communications: You have the right to request that we communicate with you about your protected health information by alternative means or to an alternative location. You must make your request in writing, and you must state that the information could endanger you if it is not communicated in confidence as you request. We must accommodate your request if it is reasonable, specifies the alternative means or location, and continues to permit us to collect premiums and pay claims under your health plan, including issuance of explanations of benefits to the subscriber of the health plan in which you participate. An explanation of benefits issued to the subscriber for health care that you received for which you did not request confidential communications or about the subscriber or others covered by the health plan in which you participate may contain sufficient information to reveal that you obtained health care, even though you requested that we communicate with you about that health care in confidence. Other transactions under the membership may also detract from the level of confidentiality you might obtain from an alternate communication or address.

Right to Inspect and Copy: You have the right to look at or get copies of your protected health information, with limited exceptions. You may request that we provide copies in a format other than photocopies. We will use the format you request unless we cannot practicably do so. You must make a request in writing to the Privacy Officer using the contact information listed at the end of this notice to obtain access to your protected health information when you make the request as an exercise of your HIPAA Privacy rights. Many records are available without making the request as an exercise of HIPAA Privacy rights. If you request copies, we will charge you a fee for the costs of copying, other supplies, postage if you want the copies mailed to you and staff time associated with your request. For information maintained off-site in archival warehouses or that is not reasonably identifiable and accessible, we will charge the actual cost of the time and other resources required to make the information available. If you request an alternative format, we will charge a cost-based fee for providing your protected health information in that format. If you prefer, we will prepare a summary or an explanation of your protected health information for a fee.

Right to Amend: You have the right to request that we amend your protected health information. Your request must be in writing, and it must explain why the information should be amended. If you need information about making a request or amendment, contact us using the contact information listed at the end of this notice. We may deny your request if we did not create the information you want amended and the originator remains available or for certain other reasons. If we deny your request, we will provide you a written explanation. You may respond with a statement of disagreement to be appended to the information you wanted amended. If we accept your request to amend the information, we will make reasonable efforts to inform others, including people you name, of the amendment and to include the changes in any future disclosures of that information.

Right to Receive an Accounting of Disclosures: You have the right to receive a list of instances in which we or our business associates disclosed your protected health information for purposes

other than for treatment, payment, health care operations, as authorized by you, and for certain other activities since April 14, 2004 or the date coverage became effective for you, whichever is later. For example, we would account for your protected health information or demographic information we disclose during an audit by a government oversight agency or pursuant to a court order. You must make your request in writing. We will provide you with the date on which we made a disclosure, the name of the person or entity to which we disclosed your protected health information, a description of the protected health information we disclosed, the reason for the disclosure, and certain other information. If you request this accounting more than once in a 12-month period, we may charge you a reasonable, cost-based fee for responding to these additional requests. Contact us using the information listed at the end of this notice for a full explanation of our fee structure and how to make your request.

Right to a Paper Copy of This Notice: If you receive this notice on our web site or by electronic mail (e-mail), you are entitled to receive this notice in written form. Please contact us using the information listed at the end of this notice to obtain this notice in written form.

Changes to This Notice

We reserve the right to change our privacy practices and the terms of this notice at any time, provided such changes are permitted by applicable law. We reserve the right to make the new changes in our privacy practices and the new terms of our notice effective for all protected health information that we maintain about you, as well as any information we create or receive about you in the future. Before we make a significant change in our privacy practices, we will provide you with a revised notice by mailing it to your home address. We will post a copy of the current notice at the Personnel Office in City Hall.

Questions and Complaints

If you want more information about our privacy practices or have questions or concerns, please contact us using the information listed below.

If you are concerned that we may have violated your privacy rights, or you disagree with a decision we made about access to your protected health information or in response to a request you made to amend or restrict the use or disclosure of your protected health information, or to have us communicate with you by alternative means or at an alternative location, you may complain to us using the contact information listed below.

You also may submit a written complaint to the Secretary of the U.S. Department of Health and Human Services (HHS). We will provide you with the address to file your complaint with HHS upon request.

We support your right to the privacy of your protected health information. We will not retaliate in any way if you choose to file a complaint with us or with the HHS Secretary.

Contact Office:	Human Resources City Hall 2 nd Floor 6 E. 6 th Street, Lawrence, KS 66044-2268 Ph. 785-832-3203 Fax 785-832-3228 benefits@ci.lawrence.ks.us
Alternative:	Assistant City Manager City Hall, 4 th Floor 6 E. 6 th Street, Lawrence, KS 66044-2268 Ph. 785-832-3400 dstoddard@ci.lawrence.ks.us