



**CITY OF GROSSE POINTE WOODS  
NOTICE OF MEETING AND AGENDA  
COMMITTEE-OF-THE-WHOLE  
Monday, November 13, 2023 at 7:15 PM**

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*Robert E. Novitke Municipal Center - Council/Court Room  
20025 Mack Plaza, Grosse Pointe Woods, MI 48236  
(313) 343-2440*

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Mayor Arthur W. Bryant has called a meeting of the City Council, meeting as a Committee-of-the-Whole, for **Monday, November 13, 2023 at 7:15 PM**. The meeting will be held in the Council Chambers/Municipal Court Room of the Municipal Building, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 and is accessible through the Municipal Court doors. In accordance with Public Act 267, the meeting is open to the public and the agenda items are as follows:

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. ACCEPTANCE OF AGENDA**
- 4. ITEMS FOR DISCUSSION**
  - A. [Public Act 152](#)
    1. [Memo 10/23/23 - Treasurer/Comptroller](#)
- 5. NEW BUSINESS/PUBLIC COMMENT**
- 6. ADJOURNMENT**

IN ACCORDANCE WITH PUBLIC ACT 267 (OPEN MEETINGS ACT)  
POSTED AND COPIES GIVEN TO NEWSPAPERS

The City of Grosse Pointe Woods will provide necessary, reasonable auxiliary aids and services, such as signers for the hearing impaired, or audio tapes of printed materials being considered at the meeting to individuals with disabilities. All such requests must be made at least five days prior to a meeting. Individuals with disabilities requiring auxiliary aids or services should contact the City of Grosse Pointe Woods by writing or call the City Clerk's office, 20025 Mack Plaza, Grosse Pointe Woods, MI 48236 (313) 343-2440 or Telecommunications Device for the Deaf (TDD) 313 343-9249.

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cc: Council - 7  
City Administrator  
City Attorney

Treasurer/Comptroller  
City Clerk  
Email Group/Media

Assistant City Administrator  
Post - 4



## CITY OF GROSSE POINTE WOODS MEMORANDUM

**Date:** October 23, 2023

**To:** Mayor and City Council

**From:** Shawn Murphy, Treasurer/Comptroller  
Frank Schulte, City Administrator

**Re:** **Public Act 152**

**RECEIVED**

OCT 25 2023

CITY OF GROSSE POINTE WOODS  
CLERK'S DEPARTMENT

In 2011, Governor Snyder signed into law Public Act (PA) 152 which was enacted to limit a public employer's expenditure for employee medical benefit plans. For medical plan coverage beginning on or after January 1 of each year, a public employer that offers or contributes to a medical benefit plan for its employees or elected public officials shall pay no more of the annual costs or illustrative rates, and a payment for reimbursement of copays, deductibles, or payments into H.S.A., F.S.A., or similar accounts used for health care costs, than a total amount equal to the hard cap.

Public entities are required to comply with either the hard cap-default option or spend no more than 80% of the cost of health care, leaving employees with 20% cost sharing on all employee medical/Rx health benefits (medical, Rx, H.S.A., and H.R.A). Alternatively, local units of government may opt out. The 20% election requires a majority vote and opt out requires a 2/3 vote.

The City of Grosse Pointe Woods currently elects the hard cap option under PA152.

Effective January 1, 2017, healthcare provided by the City was changed to Blue Cross Blue Shield of Michigan (BCBSM) Simply Blue 2000 PPO plan. This is a high dollar deductible plan that qualifies for a health savings account. The current deductible is \$2,000 for a single and \$4,000 for a two person/family. The City contributes yearly into a health savings account, \$1,700 for a single and \$2,000 for a two person/family. The employee is responsible for the remaining yearly deductible.

Gross costs have been under the hard cap limit as set forth in PA152 as shown in the table below since 2017. The gap between the hard cap and the gross costs paid by the city has decreased over that last several years and in 2024 the hard cap allowable limit is less than the gross cost by \$86,113.

<b>BCBS SB2000</b>	<b>Gross Cost</b>	<b>Hard Cap</b>	<b>(Over)/Under</b>
2020	\$967,145	\$1,019,768	\$(52,623)
2021	\$989,551	\$1,061,737	\$(72,186)
2022	\$1,071,843	\$1,086,417	\$(14,574)
2023	\$1,174,551	\$1,179,920	\$(5,369)
2024	\$1,264,692	\$1,178,579	\$86,113

With the hard cap election, employees will be required to contribute \$86,113 towards the cost of health care as shown in the table below. These amounts are in addition to the out of pockets cost required to meet the yearly deductibles.


<b>Current Enrollment</b>	<b>Monthly Contribution</b>	<b>Yearly Contribution</b>	<b>Total EE Contributions</b>
Single (14)	\$42.66	\$ 511.92	\$7,166.88
Two Person (13)	\$102.39	\$1,228.68	\$15,972.84
Family (41)	\$127.99	\$1,535.88	\$62,971.08

We respectfully request City Council to evaluate the options of PA152 and to consider the Opt-out option. The Opt-out option would eliminate additional employee contributions toward health care.

- Opt-out-requires a 2/3 vote by City Council
- Utilize the 80/20-requires a majority vote by City Council
- Hard Cap-default option

Thank you.

  
 Shawn Murphy  
 Treasurer/Comptroller

  
 Frank Schulte  
 City Administrator