

***Amend the Portland Police Association City Employee Benefits Program for FY 2025-26**

The City of Portland ordains.

Section 1. The Council finds:

1. The Bureau of Human Resources is responsible for the administration of employee health and welfare benefit plans.
2. The City's health insurance costs for the Portland Police Association – Portland Police Bureau (PPA-PPB) are facing a 16% increase for the 2025-26 fiscal year, which is valued at \$2,000,000 more than current fiscal year. The City has budgeted 8% employee health insurance increases for this period.
3. As required by the parties collective bargaining agreement, the Bureau of Human Resources worked with PPA-PPB on plan design recommendations for the City's self-insured and insured plans in an effort to agree on changes to bring costs within the target budget rate.

The PPA Board recommends the following plan design changes which have negligible impact or are already factored into the renewal costs:

- a. Continue five additional Employee Assistance Program visits, totaling thirteen plan visits per plan year.
- b. Hold Moda/Delta Dental rate flat and move savings to CityNet medical plan.
- c. Remove prior authorization requirement for nutritional therapy under CityNet medical.
- d. Add CirrusMD virtual visits to CityNet medical to expand virtual visit access.
- e. Add RationalMed program to CityNet pharmacy coverage to identify potential safety issues or gaps in care.
- f. Cover sedation services under Class II benefits for Moda/Delta Dental members who self-identify as having intellectual and/or developmental disabilities.
- g. Add Virta coverage for weight loss support and diabetes reversal under CityNet medical.
- h. Add access to cancer support under CityNet medical.

Additionally, the PPA board recommends the following plan design changes

which reduce the renewal rate by 4.1% for a total renewal of 11.9%:

- i. Add Garner, a health navigation support program, to the CityNet medical plan which provides a \$1,000 Health Reimbursement Account financial incentive to refer members high quality outcome doctors.
- j. Add Hinge Health virtual musculoskeletal therapy coverage to CityNet medical.
- k. Increase CityNet medical stop loss limit from \$300,000 to \$350,000.
- l. Implement surgery Centers of Excellence (COE) under CityNet medical.
- m. Add EviCore to CityNet medical for utilization management for advanced imaging and cardiology management.
- n. Add EviCore to CityNet medical for utilization management for utilization management on musculoskeletal review.
- o. Adjust Kaiser medical plan benefits to add \$150 deductible, \$1,000 out-of-pocket maximum, three tier pharmacy benefit, \$15 copay for primary care, \$25 for specialty care, \$35 for urgent care, \$15 for simple labs, \$75 for complex labs and 20% coinsurance after deductible for outpatient surgery, inpatient services, emergency room, and ambulance.

~~4.—The Mayor and City Administrator are recommending Council approve additional changes to the benefits plan design to meet City budgetary constraints including:~~

- ~~a.—Further adjust Kaiser plan benefits and increase deductible to \$500, \$3,000 out-of-pocket maximum, three-tiered pharmacy benefit, \$20 copay for primary care, \$30 for specialty care, \$40 for urgent care, \$20 for simple labs, \$100 for complex labs, and 20% coinsurance after deductible for outpatient surgery, inpatient services, emergency room, and ambulance.~~

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~~5.—The Health Fund Budgets for FY 2025-26 and the Payroll Clearing Fund include appropriations valued at 8% as identified above.—~~

4. The Health Fund Budgets for FY 2025-26 and the Payroll Clearing Fund include appropriations valued at 8% as identified above and included in the City Administrator's recommendation for the FY 2025-26 budget. Funding the gap between the 8% presumed cost and 11.9% cost will increase the impact to the 2025-26 budget by \$638,650.

NOW, THEREFORE, the Council directs:

~~A. The Council hereby adopts the recommendations of the Mayor and City Administrator, as reflected in the attached Exhibit A, for the Portland Police Association City Employee Benefits Program for fiscal year 2025-2026.~~

A. The Council hereby adopts the recommendations of the Council and the PPA-PPB Board for fiscal year 2025-26, as reflected in attached Exhibit A.

Section 2. The Council declares that an emergency exists to avoid undue and costly delay in providing benefits to plan participants; therefore, this Ordinance shall be in full force and effect from and after its passage by Council.