

## Legislation Details (With Text)

<b>File #:</b>	18-0859	<b>Version:</b>	1	<b>Name:</b>	RES 2018-66 Employee Insurance Premiums when Injured.
<b>Type:</b>	Resolution	<b>Status:</b>		<b>Status:</b>	Passed
<b>File created:</b>	8/15/2018	<b>In control:</b>		<b>In control:</b>	Board of Mayor & Aldermen
<b>On agenda:</b>	10/9/2018	<b>Final action:</b>		<b>Final action:</b>	10/9/2018
<b>Title:</b>	Consideration of Resolution 2018-66, A Resolution To Authorize The City To Pay One-Half Of An Employee's Portion Of The City's Health Insurance Premium When The Employee Is On Disability Leave With The City Due To An On The Job Injury. (09/25/18 WS)				
<b>Sponsors:</b>	Kevin Townsel				
<b>Indexes:</b>					
<b>Code sections:</b>					
<b>Attachments:</b>	1. 18-0859 2018-66 Res to Reimburse Employees of insurance premium while on leave.Law Appro				

Date	Ver.	Action By	Action	Result
10/9/2018	1	Board of Mayor & Aldermen	approved	Pass
9/25/2018	1	Work Session	referred as a Consent Item	

**DATE:** September 18, 2018

**TO:** Board of Mayor and Aldermen

**FROM:** Eric Stuckey, City Administrator  
Kevin Townsel, Human Resources Director  
Shauna Billingsley, City Attorney

**SUBJECT:**  
Consideration of Resolution 2018-66, A Resolution To Authorize The City To Pay One-Half Of An Employee's Portion Of The City's Health Insurance Premium When The Employee Is On Disability Leave With The City Due To An On The Job Injury. (09/25/18 WS)

### Purpose

The purpose of this memorandum is to provide information to the Franklin Board of Mayor and Aldermen (BOMA) concerning a proposed change in City policy related to health insurance premiums for employees that are on disability due to an on-the-job injury.

### Background

Currently, when a City employee is injured on the job and is unable to work for an extended period, the employee is first provided with full base pay for seven days paid for by the City of Franklin. After this period, the employee will receive disability pay through the City's insurance provider at a rate of 66.67% of their

average wages (overtime is included in the calculation). This disability pay is not subject to tax withholding.

While the injured employee is on disability pay, he/she remains on City health insurance, but insurance premium contributions by the employee are not being withheld since they are not receiving a City paycheck. The City does provide notice that this obligation exists and offers to make payment arrangement, but the payment of employee health insurance premiums is still an obligation of the employee. Given the reduced pay received by the employee due to an on-the-job injury, it is proposed that the City contribute half of the employee health insurance premium on behalf of the employee during the time they are on disability pay and unable to work due to their on-the-job injury.

#### **Financial Impact**

The financial impact of paying half of the employee health insurance premium for workers of disability leave due to an on-the-job injury would be relatively small. Had this policy been in place in calendar years 2016 and 2017 it would have cost the City \$500 and \$300 respectively.

#### **Recommendation**

Staff recommends approval of Resolution 2018-66 Authorizing the City to pay One-Half of an employee's portion of the City's Health Insurance Premium when the Employee is Disability Leave with the City due to an on-the-job injury.