

CITY OF OAKLAND

AGENDA REPORT

2014 SEP 18 PM 1:14

To: Chair Schaaf and Members of the Finance & Management Committee
From: Council President Patricia Kernighan
Date: September 17, 2014
Re: Health Care Task Force – Supplemental Report

RECOMMENDATION

I recommend acceptance of this Health Care Task Force Report and accompanying resolution:

RESOLUTION STATING THE INTENT OF THE CITY COUNCIL OF THE CITY OF OAKLAND TO SUPPORT THE GOALS OF THE CITY OF OAKLAND/EMPLOYEE UNION HEALTH CARE TASK FORCE, WHICH SEEKS TO REDUCE HEALTH COSTS WHILE IMPROVING QUALITY BY ESTABLISHING TRANSPARENCY AND HOLDING HEALTH PLANS AND PROVIDERS ACCOUNTABLE FOR DELIVERING SAFE, EFFECTIVE, AND FAIRLY PRICED HEALTH CARE SERVICES TO OAKLAND EMPLOYEES, RESIDENTS, AND TAXPAYERS

REASON FOR SUPPLEMENTAL

This supplemental report aims to correct a clerical error on page two of the Health Care Task Force Report presented at the September 16, 2014, Finance and Management Committee.

Please note the original text:

For 2015, the increase in Kaiser premiums (the most popular and usually the least expensive option) is approximately three percent, which followed a hefty 11 percent increase last year. As a result, some California public agencies have sought to mitigate the fiscal impact of these large increases by shifting some of the costs to employees.

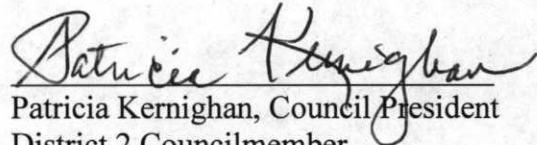
Shall be revised to read:

Kaiser premiums (the most popular and usually the least expensive option) will be lower by 3.8 percent in 2015. This modest rate drop follows a hefty 11 percent increase in 2014. To stem the overall upward trend in health care costs, some California public agencies have sought to mitigate the fiscal impact of these large increases by shifting some of the costs to employees.

Item: _____
City Council
September 23, 2014

For questions regarding this report, please contact Anil Comelo, Human Resources Management Director at (510) 238-6450, or Sally Covington, SEIU LI021 Health Care Benefits and Policy Advisor at (510) 710-0176.

Respectfully submitted,

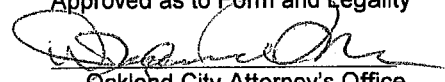

Patricia Kernighan, Council President
District 2 Councilmember

Prepared by: Anil Comelo, Human Resource
Management Director
Sally Covington, Health Care Benefits
and Policy Advisor, SEIU LI021

Item: _____
City Council
September 23, 2014

14 SEP -4 PM 3:59

Approved as to Form and Legality


Oakland City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

INTRODUCED BY COUNCIL PRESIDENT PATRICIA KERNIGHAN

RESOLUTION STATING THE INTENT OF THE CITY COUNCIL OF THE CITY OF OAKLAND TO SUPPORT THE GOALS OF THE CITY OF OAKLAND/EMPLOYEE UNION HEALTH CARE TASK FORCE, WHICH SEEKS TO REDUCE HEALTH COSTS WHILE IMPROVING QUALITY BY ESTABLISHING TRANSPARENCY AND HOLDING HEALTH PLANS AND PROVIDERS ACCOUNTABLE FOR DELIVERING SAFE, EFFECTIVE, AND FAIRLY PRICED HEALTH CARE SERVICES TO OAKLAND EMPLOYEES, RESIDENTS, AND TAXPAYERS

WHEREAS, An employer/employee Health Care Task Force, including representatives of the City administration and the unions representing City employees, was amicably established to jointly work toward improving quality and reducing health and insurance costs; and

WHEREAS, the City of Oakland and its employees share an interest in reducing health and insurance costs by promoting high quality, prevention-oriented, efficient, and fairly priced health care services; and

WHEREAS, the Health Care Task Force is concerned about health care costs that may result from "unnecessary services, excessive administrative costs, inefficiently delivered services, prices that are too high, fraud, and missed prevention opportunities," which the Institute of Medicine (an arm of the National Academy of Sciences) calls "waste" and estimates is 30 percent of U.S. health care spending (<http://resources.iom.edu/widgets/vsrf/healthcare-waste.html>); and

WHEREAS, the City of Oakland and its employees currently do not know what percentage of its premium or out of pocket health care costs are "waste" and the goal of the City Council is to reduce both for City workers, residents, and taxpayers by establishing transparency and holding plans and providers financially accountable for performance; now therefore be it

S-7-10
SPECIAL MEETING OF
THE OAKLAND CITY COUNCIL

SEP 23 2014

RESOLVED: That the City Council does hereby give notice of intention to support the efforts of the Health Care Task Force to encourage CalPERS, other public payers of health benefits, State policymakers, and commercial health plans and providers to establish transparency and improve the safety, quality, efficiency, and affordability of the health care services that the City, its employees, residents and taxpayers pay for and receive.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF, AND
PRESIDENT KERNIGHAN

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California

5-7.10

SPECIAL MEETING OF
THE OAKLAND CITY COUNCIL

SEP 23 2014