



Request for City Council Committee Action from the Department of Human Resources

Date: November 29, 2010

To: Ways and Means / Budget Committee

Referral to: City Council

Subject: Amendments to the City of Minneapolis Minneflex Plan and
the City of Minneapolis Health Reimbursement Arrangement Plan

Recommendation:

Authorize the execution of amendments to the City of Minneapolis Minneflex Plan ("Minneflex") and the City of Minneapolis Health Reimbursement Arrangement Plan ("HRA") to comply with federal health care reform legislation and make certain clarifying changes.

Previous Directives:

Minneflex: Adoption of the City of Minneapolis Minneflex Plan, as Amended and Restated Effective January 1, 2007. Adoption of First Amendment effective January 1, 2008, adoption of Second Amendment effective January 1, 2009, and adoption of Third Amendment effective January 1, 2010.

HRA: Adoption of the City of Minneapolis Health Reimbursement Arrangement Plan, as Amended and Restated Effective January 1, 2006. Adoption of First Amendment effective January 1, 2009 and adoption of Second Amendment effective January 1, 2010.

Department Information

Prepared by: Joyce Traver

Approved by: _____

Pamela French
Human Resources Director

Steven Bosacker
City Coordinator

Presenters in Committee: Joyce Traver, Benefits Manager

Financial Impact

No financial impact

Supporting Information

The amendment to the Minnflex plan will:

- Change the definition of dependent to include participants' children to age 26.
- Change the definition of eligible medical expenses for purposes of the health care FSA to exclude over-the-counter drugs except for insulin or drugs prescribed by a physician.
- Prohibit the use of Minneflex issued debit cards to pay for over-the-counter drugs.
- Update information on the insurance carriers and other third parties who provide insurance and administrative services under the plan.

The amendment to the HRA will:

- Change the definition of dependent to include participants' children to age 26.
- Change the definition of eligible medical expenses for purposes of the HRA reimbursements to exclude over-the-counter drugs except for insulin or drugs prescribed by a physician.