

Special Committee on Council Benefits
Questions Asked by Citizens at Meeting #1 December 4, 2020

1. Whether this it is a part-time or became a full-time job, once you leave the job, why would Metro continue to pay for your insurance after you are no longer serving?
2. What do other cities such as St. Louis, Chicago, what are their benefits? What is their pay? What are our peer cities doing? *As per the Deloitte Compensation Study 2014: All of the benchmark cities allowed their CMs to enroll in the same health benefit program as full-time employees. The most significant difference was that Nashville Council Members can continue their health, dental, and vision insurance after serving two terms. None of the benchmark cities offer this, only COBRA after termination. Salaries are listed as follows:*
Atlanta, GA - \$60,300
Charlotte, NC - \$17,860 (increased to \$19,809 in 2015)*
Cincinnati, OH - \$65,699.56
Fulton County, GA - \$40,446
Indianapolis, IN (largest of peers with 29 CMs and 876,862 people) - \$11,400
Jacksonville, FL - \$43,687.44
Kansas City, MO - \$61,569 (increased to \$70,718 in 2019)*
Louisville, KY Metro Area - \$44,189.60
Memphis, TN - \$29,070
Oklahoma City, OK - \$12,000
Richmond, VA - \$25,000
San Antonio, TX - \$2,000 (increased to \$45,722 in 2015)*
St. Louis, MO - \$37,000
Nashville, TN - \$15,000 (increased to \$23,100 in 2019)*

Not a peer but mentioned in the Special Committee on Council Benefits call:
Chicago, IL city (pop 2.7 million w/50 CMs) \$117,000 (no health benefits after office)
New York City (pop 8.3 million w/51 CMs) \$148,500 (no health benefits after office)
3. Would currently serving Councilmembers, both first term and second term, be able to continue this benefit if this legislation went forward?
As per BL2020-387: Yes, this legislation does not remove the benefit as it stands for any existing Council Member. It also does not remove the benefit while in office for any future Council Member. Instead, it would reverse the subsidy from a 75% Metro 25% Council Member cost, to a 25% Metro 75% Council Member cost, after leaving office.
4. On the total comp study conversation, has any benchmarking been done for total comp conversation for that benefit?
As per the Deloitte Compensation Study 2014 – if Metro Nashville Council’s size were an average of the peer cities (15), then they would recommend raising the salary by \$19,632.43. The analysis also included total payroll of each Council body, to mitigate the variance in council size. The recommendation was to move the salary from \$15,000 to \$19,069.24 at that time. Because salary is voted in for a future term, when the 2015-2019 body voted in a \$8,100 raise to reach \$23,100, that compensation did not begin until this term, September 2019.
5. What was Council’s Total Health care cost for 2018? *As per HR Director Shannon Hall, \$762,120*
6. What was Council’s Total Health care cost for 2019? *As per HR Director Shannon Hall, \$741,927*

7. What was Council's Total Health care cost for 2020? *As per HR Director Shannon Hall, \$837,438*
8. What is Council's Projected Health care cost for 2021? *Per HR Director Shannon Hall, \$869,799*
9. What is Council's Projected Health care cost for 2022?
As per HR Director Shannon Hall, rates are determined based on actual claims. Estimates typically anticipate a 4-6% increase over the rate from the prior year for \$913,289
10. What is Council's Projected Health care cost for 2023?
As per HR Director Shannon Hall, rates are determined based on actual claims. Estimates typically anticipate a 4-6% increase over the rate from the prior year for \$958,953
11. What is Council's Projected Health care cost for 2024?
As per HR Director Shannon Hall, rates are determined based on actual claims. Estimates typically anticipate a 4-6% increase over the rate from the prior year for \$1,006,901
12. Has anyone found a city in Tennessee that has this health care plan?
As per City of Chattanooga Director of Employee Benefits Madeline Green, Chattanooga had a similar plan to Metro Nashville until they made the change in 2010 to end coverage after CMs leave office. Franklin offers free coverage to Council Members while in office, but the benefits end when they leave office.
13. Going beyond Tennessee, are there other cities in other states that offer this benefit in perpetuity? *No knowledge of this.*
14. If this proposal is approved, what percentage would CMs pay, and what would Metro pay?
As per BL2020-387, all current CMs will continue at the 75% Metro subsidy 25% Council Member cost in perpetuity. All future CMs would be eligible at the 75% Metro subsidy 25% Council Member cost in office, then would reverse to a 25% Metro subsidy 75% Council Member cost after leaving office.
15. If this proposal is approved, what will be the one, three, and five years out cost to Nashville Property owners?
One and three would remain the same as answered in questions 9, 10, and 11. The five year out cost should be less, but would depend on the number of CMs on the plan at the time (some drop due to job change, some due to cost, and at years 5 all currently serving CMs could still be on the plan, half of them may no longer be in office).
16. How to get access to the information requested? Email, online, etc.? *Information is attached and most can also be found online.*
17. What is the percentage of current and past CMs who are also taking advantage of this benefit?, and what is the breakdown?
*Currently 73 take advantage of the benefit.
27 are current CMs (37%), and 46 are former CMs (63%).
We currently have 11 minorities on Council, 4 of which (36%) are on the benefits plan.
Of the remaining 30 on Council, 23 (77%) are on the benefits plan.*
18. Why does the bill address this particular benefit and not some other benefit?

BL2020-387 was drafted by Tonya Hancock to address this issue, as it is one that was mentioned during an interview between then Chair Bob Mendes and Zulfat Suara during our budget season. If another Council Member felt another benefit should be addressed they could draft that legislation.

19. Is eight years the maximum a Council Member can serve?

Metro Council Members are term limited to one position for two consecutive terms, which is typically eight years. e.g. One Council Member can only serve eight years in their district. Currently we have two At Large Members who served two terms as a District Council Member before running for At Large. We also have a Vice Mayor who served two terms for his District, then served At Large, now serving as Vice Mayor.

20. Do you ever fall off the list or does the list just keep on growing?

The list is fluid. e.g. Two former Council Members just fell off the list this fall when they moved to other roles with benefits. One currently serving Council Member just added to the list. We have one former CMs spouse on the list but the former CM has unfortunately passed away.

21. Is this full health care or is there a premium? Is this only needed healthcare or also elective?

As per HR Director Shannon Hall: This is a 25%/75% cost sharing premium for full participation in Metro's health plan. The full plan documents are available here: <https://www.nashville.gov/Human-Resources/Benefits/Employee-Benefit-Plans/Medical.aspx>.

22. When a Council Member decided to run for this job was there some sort of a job description or expectations that were known to you when you take the job?

23. If Council Members wanted to be paid as full-time Metro employees, what would the cost difference be?

24. Has there been any study of the actual time that Council Members use?

25. Would you be willing to accept that if you are payed as a full-time employee that you could not have another full-time job and maybe not even another part-time job, if you are on salary?

26. If a Council Member gets another job after leaving Council are they required to use those benefits or could they continue to use Metro health benefits?

No, Council Members are currently able to continue on Metro Benefits for a lifetime if they so choose. We had some discussion about ending at 65 on the Council floor September 15, but that is currently not required. We have 23 currently 65+ on the plan.

27. How many, including family members have benefit of current coverage?

As per Shannon Hall of HR: There are 36,406 employees, pensioners, and dependents participating in the plan. Of that 36,406 participating in the plans, there are 73 active and former council members participating with 28 of them having single coverage, 3 having employee + child(ren) coverage, and 42 having family coverage.

28. Who is the actual insurance carrier, or are their multiple carriers?

As per Shannon Hall of HR: There are 2 health care plans administered by 2 different insurance carriers: a self insured PPO administered by BlueCross BlueShield of Tennessee and an account based plan with employer funded HRA administered by Cigna. We are required to procure these plan administration services in accordance w/Metro Code; these carriers can change over time.

29. What is the yearly cost of the current plan per member, and family?
The cost to Metro is \$6,682 per year for an individual, \$9,438 for individual plus children, and \$17,368 for family. This is 75% Metro Subsidy. That would make the Council Member 25% annual share \$2227 for an individual, \$3146 for an individual plus children, and \$5789 for a family.
30. Don't most Council Members or at least some Council Members have a current career or livelihood (which my assumption is comes with its own insurance package and benefits)?
Council Members run the gamut from working PT or FT for corporations, government, small businesses, being self-employed, retired, unemployed, or running their households.
31. Do the members have an ultimate purposeful dedication to the position, with no underlying agenda?
32. In view of the current condition of our budget, how can we afford to do this on an ongoing basis? Do we have the funds to continue this benefit?
33. Could we see the proposal in writing? *Included in attachments.*
34. Could we see a list of the former Council Members, or how many of the former Council Members are on this benefit? *Please see attached spreadsheet.*
35. If there is a way to get a copy of the current benefit's package that is provided, and any of the rules, maybe the Summary Plan Description (SPD) that spells out in detail the rules as to when the benefits are earned?
Both SPDs and plan documents are available online on Metro Human Resources website at: <https://www.nashville.gov/Human-Resources/Benefits/Employee-Benefit-Plans/Medical.aspx>.
36. What would savings be if benefit is rolled off going forward? *Please see attached spreadsheet.*
37. Why this particular benefit was chosen over any of the other benefits you could have given?
Please see original bill BLO901115. It stated "It is desired to amend said provisions to afford retired elected officials the same benefits."
38. Why the 25/75 break down? *Is elective surgery not involved?*
Per Shannon Hall of HR: The 25%/75% is the cost sharing premium structure for Metro employees who participate in one of Metro's health plans. 25% of health plan premium is paid by the Metro employee & 75% is paid by the Metro Government. The combined rate coverage is for full participation in Metro's health plan. The full plan documents are available at the link above.
39. Why is the rest of the family included?
As per Shannon Hall of HR: The short answer is because the Metro Council legislated it that way. Metro offers eligible employees and pensioners several different health plan rates based on their needs which include single coverage, family coverage, and other rate structures. Metro Code Section 3.24.010(C) allows Council Members (CMs) to participate in the health insurance program under the same terms, conditions, benefits, and contribution rates as are available for metropolitan government employees. As a result, CMs have the choice of rate structures and coverage levels that Metro employees do. The coverage levels and rates are available on Metro Human Resources website at: <https://www.nashville.gov/Human-Resources/Benefits/Employee-Benefit-Plans.aspx>.