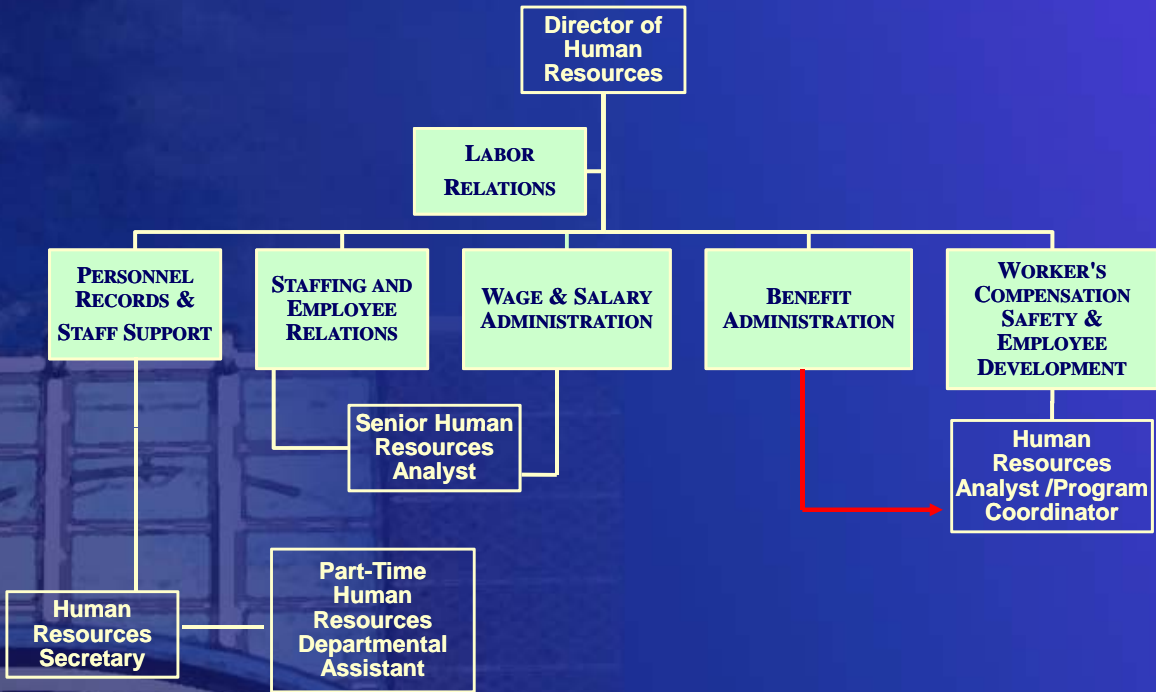


The City of Rochester Hills, Michigan

# Department of Human Resources

## Human Resources Mission

*...to serve as a strategic partner in selecting, managing, and developing personnel to meet current needs and objectives, while building a workforce that can continually adapt and respond to the challenges of public service.*



**Human Resources Functions**

# Significant Changes

**Salary & Wages decrease 20% or \$70,820 in  
Full Time Position Eliminated**

**Professional Services increase 32% or \$11,500 in FY  
2011**

**Contracted Benefit Services  
Oakland County Training partnership**

## **GOAL: Efficient Service Delivery**

**Implement benefit self-service enrollment and administration system**

**Beginning Fall 2010 Open Enrollment**

**Online 24/7 Access**

**Customer Service Call Center**

**Year-round benefit eligibility management**



## **GOAL: Attractive/Cost-Effective Compensation and Benefits**

**Conduct contract negotiations with the City's three union groups to achieve personnel cost savings in light of revenue reductions for 2011-2013.**

- **21 budgeted positions eliminated for 2011**
  - **Worked with union leaders in response to staff reductions this year.**
  - **Avoided union layoffs with minimal bumping**

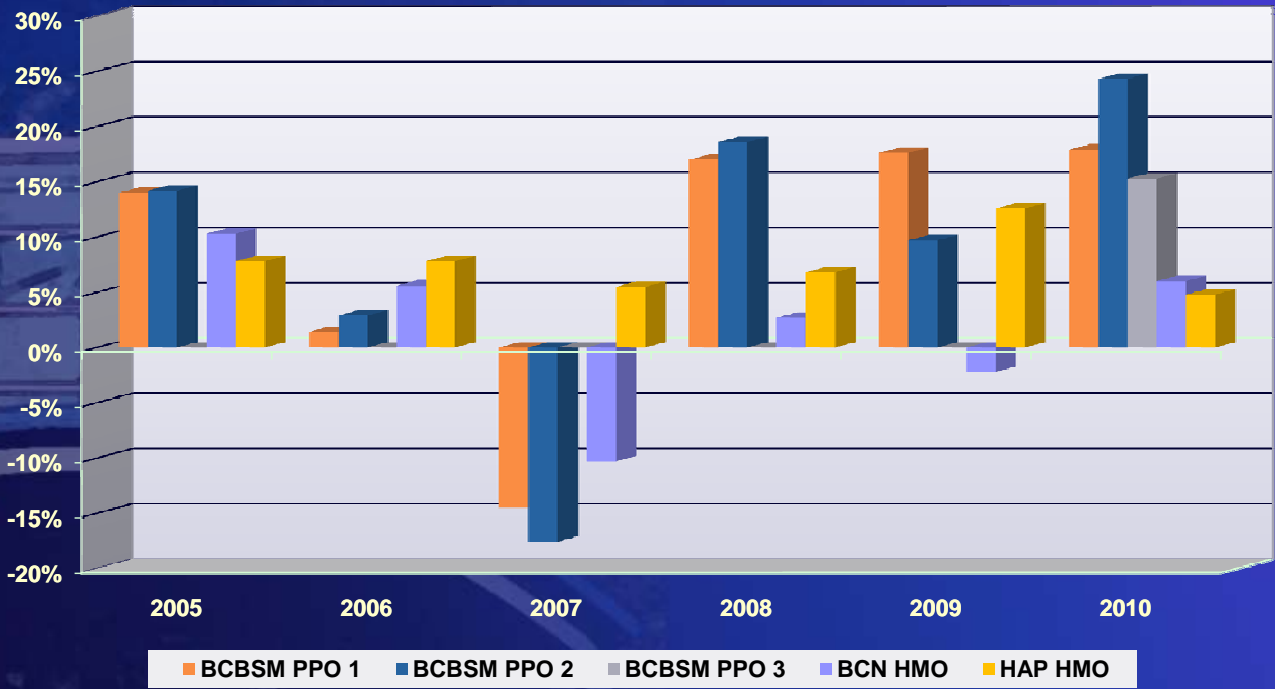
## **GOAL: Attractive/Cost-Effective Compensation and Benefits**

**Insurance carrier changes will reduce  
costs or renewal increases in 2011 for:**

- **Dental**
- **Vision**
- **Life & Disability**
- **Flexible Spending & COBRA  
Administration**

# Impact of Short Term Strategy

Plan design changes for 2007 reduced healthcare costs by 8.9% overall ...but they rebounded in 2008!



## **Raising the Bar on Health Care**

### **-Best Performing Companies-**

**Consistent use of a combination of --**

- Appropriate financial incentives**
- Effective communications**
- Health promotion programs**
- Metrics and initiatives to improve quality**

**--To hold the line on cost increases while engaging employees to improve their health habits.**

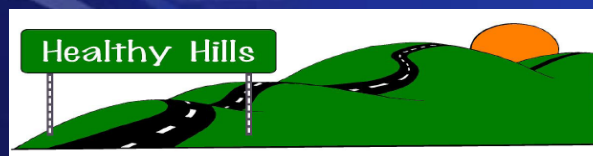
**Towers Watson Survey**

## Results of Healthy Hills Program 2009-2010

**Improvements in biometric measures**

**Health risk score above national average**

**Significant movement from high risk to moderate and low health risk indicators**



## Improvements in Health-Related Costs

### Large Claims (>\$30,000/yr)

8% of claimants were responsible for 47% of healthcare expenses in 2009

30% decrease in large claimants in 2009

### BCBS Yearly Claims Per Employee

Decreased by \$844 from 2008 to 2009

### Short Term Disability Costs for 2011

9% decrease in premiums

### Worker's Compensation Premiums

Decreased by over 27% in 2010

The City of Rochester Hills, Michigan

# QUESTIONS?