



CITY OF CAMBRIDGE

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EXECUTIVE DEPARTMENT

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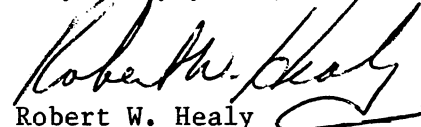
September 10, 1990

To The Honorable, The City Council:

In response to Council Order No. 16, dated 6/11/90, relative to extending the open enrollment period for health insurance and declaring a moratorium on an HMO rate change, an agreement has been worked out with the City's health insurance carrier and HMOs for a one week special open enrollment, the week of September 10-14, 1990; this additional week will allow employees who were unsure or confused about the terms of the last open enrollment, a limited opportunity to change their health plans. Plan changes will be effective October 1, 1990. The financial risk to the City of an additional open enrollment is significant (based upon possible adverse selection, and elimination of waiting periods); hence this will be the only open enrollment until next May (for changes to be effective 7-1-91).

The HMO rate change is currently being litigated by several unions, in a variety of forums.

Very truly yours,


Robert W. Healy
City Manager

RWH/mev

Agenda # 1 855

Extending the open enrollment period
for health insurance and declaring a
moratorium on an HMO rate change.

In City Council,

Sept. 10, 1990

Placed on file