

Introduced by: Mayor  
Date: 01/06/15  
Hearing: 02/03/15  
Action: Introduced and Set for  
Public Hearing on 02/03/15  
Date: 02/03/15  
Action: Enacted  
Vote: 7 Yes, 2 No, 0 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2014-19-39**

**AN ORDINANCE APPROPRIATING \$200,000 TO FUND CONSULTANTS AND  
RESEARCH EFFORTS TO IDENTIFY WAYS TO PROVIDE THE MOST  
AFFORDABLE HEALTH CARE FOR KENAI PENINSULA BOROUGH EMPLOYEES  
AND RESIDENTS**

**WHEREAS,** the high cost of health care is a major concern both nationwide and at the local level; and

**WHEREAS,** the rising cost of health care is also driving up the cost of Public Employees Retirement System (PERS), the Teachers Retirement System (TRS), and costs incurred in the private sector; and

**WHEREAS,** as the owner of two hospitals the borough is also keenly interested in assessing the appropriate services for communities the size of those in the borough and determining what can be done to reduce costs through coordination and economies of scale; and

**WHEREAS,** establishing mechanisms for reducing health care costs for all Kenai Peninsula Borough residents would be a significant benefit for all; and

**WHEREAS,** Goal 4.5 of the borough Comprehensive Plan is “to facilitate the provision of quality, affordable health care to borough residents;” and

**WHEREAS,** Goal 4.5, objective 2, Implementation Action B is to “[s]upport existing and identify additional networking or planning processes that can help improve health care delivery throughout the entire Borough;” and

**WHEREAS,** the health care field is complex and dynamic, and independent expertise is needed to help the borough identify potential options to reduce health care costs and take steps to implement selected options; and

**WHEREAS,** it is anticipated that expertise will be needed in several areas, including knowledge of legal changes in the health care industry for providers and patients, programs that have been tried or considered throughout the nation, preferred

mechanisms for implementation and financing preferred options, and other areas in the health care and insurance industries; and

**WHEREAS,** considering that potentially millions of dollars per year are at stake it is in the best interest of the borough and its residents to appropriate funds to retain expert assistance and pay other costs for research in attempting to reduce health care costs;

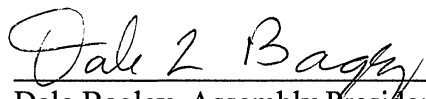
**NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

**SECTION 1.** The sum of \$200,000 is hereby appropriated from the General Fund fund balance to account no. 100.94910.15HCC.43011, contract services, to be used for the purpose of hiring one or more independent consultants, and to pay expenses, if any, for a working group to assist the borough to research and evaluate options available for reducing health care costs for the borough and school district entities and their employees, and options for reducing costs incurred by the hospitals in the borough, and potentially to assist in implementing one or more of the options subject to assembly approval.

**SECTION 2.** This appropriation is project length in nature and does not lapse at the end of any fiscal year.

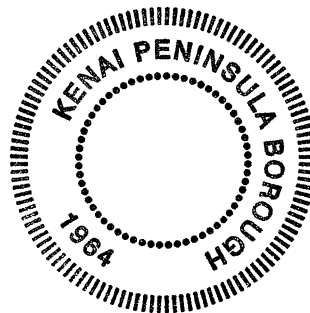
**SECTION 3.** That this ordinance takes effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 3RD DAY OF FEBRUARY, 2015.**

  
Dale Bagley, Assembly President

ATTEST:

  
John Blankenship, MMC, Borough Clerk



Yes: Cooper, Haggerty, Gilman, Johnson, McClure, Ogle, Welles, Wolf, Bagley  
No: None  
Absent: None