

COBEA Negotiations
7.28.2016
City Counterproposal

PAID
7/28/16

ARTICLE 22 - HEALTH AND WELFARE

During the life of this agreement, the City will provide employees with insurance coverage or the access to insurance coverage for employees and their families. If available, the coverage shall be reasonably equal to the existing plans in effect at the time this agreement is signed, subject to change based on recommendations by the Health Insurance Committee and ratification by Association membership. Employees are eligible to enroll in all insurance programs within the first month of employment with the City. Employees who choose not to enroll either themselves or their families within the first month of employment may enroll at a later date as insurance agreements allow, provided however, that each insurance carrier may declare any applicant ineligible at that time.

The premiums for the medical, dental and vision coverage described in this article shall be paid as follows: City of Bend – 90%, employee – 10%.

Section 1. Medical. The City will provide each employee and dependents a family medical, hospital, and major medical insurance plan for the life of this Agreement. Employees are eligible for coverage on the first of the month following their date of hire and shall become ineligible on the last day of the month in which their employment terminates, except for cases involving disability or authorized leave. Age limitations for dependents shall coincide with the current insurance agreement.

The City will credit \$2000 for an individual and \$4000 for a family into each employee's HRA account annually on the first day of the first month of each insurance policy year. In the event of separation of employment prior to the end of the plan year, the amounts credited into the HRA are pro-rated monthly with the plan year.

1. "Family" means the employee plus one or more eligible dependents, as defined in the insurance plan.
2. For members becoming eligible for coverage under this plan after the first month of the policy year, for the remainder of that policy year the City will pay the deductible expenses incurred up to \$2000 for a single and \$4000 for a family. There will be no contribution to the VEBA Trust during this time.

All medical costs are based on medical expenses the insurance company covers as usual customary charges. The remaining out-of-pocket (OOP) limit of eligible medical expenses is \$16,000 for an employee with family and \$8,000 for a single employee.

The OOP expenses will be shared as incurred between the insurance provider, the City, and the Association member as follows:

Personal Structure
as to

Insurance carrier - 75% up to \$12,000 for a family and \$6,000 for an individual.
City – 15.625% up to \$2,500 for a family and \$1,250 for an individual.
Employee – 9.375% up to \$1,500 for a family and \$750 for an individual.

The City will be using a third party administrator HRA plan and the “HRA VEBA Trust” (Spokane) plan. The plans will allow HRA/VEBA money to be used on any allowable medical expenses outlined in the IRS section 213 (d) or any other applicable IRS sections related to eligible medical expenses. The HRA plan provides a debit card(s) option for accessing the HRA, and FSA accounts.

The City agrees to provide a Flexible Spending Account (FSA) plan.

The parties acknowledge that the plan carrier may change to a calendar year cycle. In such event, the intent of this agreement as regarding to monetary payments will be applied equitably pro-rated.

The Association group premium rates will be determined based on all City Department employees’ and dependents’ experience, including retired employees, and other relevant insurance industry principles. The parties will meet annually no later than June 1 to review City plan experience and to consider premium rate and plan changes.

Section 2. Dental. The City will provide for each employee and dependents a dental insurance plan with orthodontic benefits. Employees become ineligible for coverage on the last day of the month in which their employment terminates. Age limitations for dependents shall coincide with the current insurance agreement.

Section 3. Life. The City will provide each COBEA employee with paid 24-hour life insurance protection in the amount of \$50,000. The City will also provide each COBEA employee with the option of purchasing life insurance to insure the life of each member of the employee’s immediate family, subject to availability and requirements of City’s group life insurance carrier. Employees and family members are eligible for coverage on the first of the month following their date of hire and shall become ineligible on the last day of the month in which the employee’s employment terminates except for cases involving disability.

Section 4. Vision Insurance. The City shall provide each employee and dependents a vision insurance plan. Eligibility shall begin on the first day of the month following date of hire and shall end on the last day of the month in which employment terminates. Age limitations for dependents shall coincide with the current insurance agreement.

Section 5. Supplemental Voluntary Insurances. The City may provide voluntary supplemental insurance coverage to those employees wishing to subscribe at their own cost.

Section 6. Retired Employees. From retirement at age 55 until age 62, the member will be responsible for all costs associated with the retiree insurance plan. Under the HDP,

Section 7. Long-Term Disability Insurance. The City shall provide a long term disability benefit to insure sixty-six and two-thirds percent (66 2/3%) of the current base salary for an employee who works at least thirty (30) hours a week, if disabled due to off or on-the-job injury or illness. The disability insurance will provide salary protection when ninety (90) days have elapsed from the time of the disabling injury or illness. If an employee becomes disabled, he shall not be terminated until one (1) year has elapsed since the onset of the disability. After ninety (90) days, disabled employees will be on leave from the City without pay unless receiving benefits as provided elsewhere.

If an employee becomes disabled, the employee may be medically laid off after exhausting all protected leave(s) if the City does not identify any vacant and suitable positions for which the employee is qualified. If the employee is disabled because of a work-related injury or occupational disease, the employee retains all statutory reinstatement and/or reemployment rights following medical layoff. If the employee is disabled for reasons other than a work-related injury or occupational disease, the employee will have up to 12 months within which to provide medical information from their attending physician confirming the employee is capable of returning to the position they held at the time of medical layoff. If that occurs, the employee will be eligible for possible recall to the former position, subject to City procedures.

Section 8. On The Job Injury Insurance. ~~Employees, who sustain an injury or illness compensable by Worker's Compensation and who are unable to perform their normal duties, will be paid the difference between their regular salary and compensation benefits for lost time for a period of ninety (90) days following the injury or illness. Upon receipt of an insurance provider check, the employee shall turn the check over to Payroll; in return, the employee will receive one check from the City at a rate equal to their basic monthly earnings. If an employee is off work beyond ninety (90) days as a result of a work injury, accrued days of sick leave may be applied to supplement the employee's insured disability income until such leave is exhausted. The employee may use his accrued overtime, holiday credits, and vacation credits after ninety (90) days and after the use of any accumulated sick leave. Medical progress reports may be required prior to the approval of such payments.~~

Workers' Compensation Insurance: The City shall provide worker's compensation insurance during the life of this contract. Employees who sustain an on-the-job injury or illness and who are unable to perform their normal duties may be eligible for Workers' Compensation subject to carrier rules.

When an injury occurs in the course of employment, the City's obligation to provide compensation under this section is limited to the difference between any disability payment or time loss payment received under Workers' Compensation laws and the employee's regular net pay. For the purposes of this Article, "regular net pay" is the base monthly salary for the regular work schedule of the employee in the classification

this includes the premium, deductible, and OOP costs. Retired COBEA members will be eligible to continue on the HDP at either the family or single option.

Employees hired after August 31, 2011 are eligible for the following:

The City will provide access to the City's health care insurance plan for retired employees hired after August 31, 2011. This coverage will be made available to the employee until the employee becomes Medicare eligible, to the spouse until the spouse becomes Medicare eligible and for a child until the child no longer meets legal eligibility guidelines. The City shall not be responsible for any costs associated with retiree health care insurance coverage including Medicare and supplement to Medicare insurance.

Employees hired prior to September 1, 2011 are eligible for the following sections (a) through (e):

The City will provide access to a medical benefits plan and payment of premiums for an employee providing:

- (a) The employee has worked for the City of Bend 15 continuous years prior to retirement.
- (b) The employee retires after his 55th birthday.
- (c) A medical benefits plan is available under current Agreement with an insurance carrier and the employee and dependents (if applicable) qualify for such a plan.
- (d) The employee and dependents (if applicable) are continuously insured under group coverage or a conversion policy acceptable to the insurance carrier prior to age 62. Employees retiring prior to age 62 shall be responsible for paying insurance premiums for themselves and their dependents (if applicable) until they qualify for City-paid insurance benefits. Employees who allow a lapse in coverage will not be eligible for future City-sponsored insurance or payment of premiums.
- (e) Upon reaching age 65, the employee will be provided insurance and payment of premium under PERS-sponsored medical insurance.

Dependents may be included in City-sponsored insurance providing the dependents qualify under current policy agreements.

Regardless of the above, all retired employees and spouses are eligible for PERS insurance coverage at their own expense providing the employee is eligible for retirement benefits.

Cash out w/240

*Sick leave
vs
vacation
leave*

found in the wage schedule, including incentives, less applicable deductions such as taxes, PERS, health insurance contributions, and other mandatory deductions. Regular net pay is for regularly scheduled hours and does not include overtime hours or other on duty incentives.

*part of
Workers
Comp*

For the period of up to 90 days from the date of injury, the employer will pay the difference in Workers Compensation payments and regular net pay. After 90 days, the employees may elect to use paid leaves to supplement Workers' Compensation payments and pro-rated charges will be made against accrued paid leaves, in the order of sick leave, holiday/personal leave, vacation, and compensatory time until such time the employee discontinues use of paid leaves or until such leaves are exhausted.

Section 9. Employee Health Insurance Committee. The COBEA will appoint two members to represent the COBEA on the City of Bend Employee Health Insurance Committee. This committee will be composed of two representatives of each participating City of bargaining unit, two employees representing the non-represented employee group and an equal or lesser number of City management staff members. It is the charge of the Employee Health Insurance Committee to look at cost control through plan design and/or investigating different insurance carriers. The committee will strive to maintain a plan that is substantially equal in the insurance benefits to the current benefits.

The committee shall meet approximately quarterly to review insurance usage and discuss employee health insurance issues. Should the current insurance plan or one reasonably equal to it become unavailable, the committee will evaluate alternatives and recommend a course of action. If the committee cannot reach a consensus, then a report summarizing the positions of the committee members shall be given to the City Manager and the ruling board of each participating bargaining unit. If any or all parties, the City Manager or the bargaining unit, reject the recommendation of the committee, or cannot reach agreement to change the insurance plan or carrier, then the parties will immediately commence bargaining.

Section 10. The City will provide access to a Flexible Spending Plan that complies with IRC Section 125 requirements. This plan will allow for childcare costs to be paid from the employee's pre-tax earnings. If IRC regulations for these programs change, this contract provision may be reopened by either party.

*Qualifying
Caterers*

