



9 Union Coalition Tentative Agreement

Full Summary

- ✓ **100% County coverage of all medical plan premium increases for 2019.** The planned increases next year of 9.02% for CCHP, 11.9% for Kaiser, 10.9% for Health Net HMO, and 14.74% for Health Net PPO will be entirely absorbed by the County.
- ✓ **A 3-year contract extension with the following wage increases:** 4% on July 1, 2019, 3% on July 1, 2020, and 3% on July 1, 2021.
- ✓ **A second Open Enrollment** in early December to allow members to make new healthcare selections based on the Tentative Agreement.
- ✓ **The County will pay a fairer percentage of total health premiums moving forward: a major move to a 75% (Employee only & Employee + 1) /76.5% (Employee + 2 or more) cost sharing structure in 2020, 78.5% cost sharing structure across all plans and tiers in 2021, and 80% cost sharing structure across all plans and tiers in 2022.** These percentages will be based on the second lowest priced non-deductible HMO plan (currently Kaiser A), and an equal dollar amount will be paid for all other plans. This is a big win because the County is paying significantly less currently, and only 50% of yearly premium increases. And basing an increased cost-sharing structure on a lower risk/ non deductible plan is a win for the Coalition.
- ✓ **An increased County investment in employee healthcare (\$29 million over the term of the contract!).** Starting in 2019, the County will move towards equalizing its' share of the premium payments across plans and tiers. To see how the new County contribution structure will affect your current plan, see the attached charts. By 2021 the County's contribution to healthcare will be equalized across all plans and tiers.

- ✓ **A \$2 million pot of money to address unit specific issues** (like equity adjustments, compaction, differentials, etc.) starting in January 2021. The \$2 million will be divided between the Coalition unions on a per capita basis.
- ✓ Kaiser high deductible plan participants will receive a **\$500 HSA contribution** from the County in 2019, and a **\$625 annual HSA contribution** in 2020 and beyond. Currently, HSA accounts are entirely funded by us!
- ✓ **A path to securing more affordable plans:** the new Joint Labor/Management Benefits Committee (JLMBC), made up of all nine Coalition unions and County representatives, will begin meeting soon after a deal is ratified to find new, more affordable healthcare plans starting in 2020 for our County employee market. Our first priority will be to jointly seek a Health Net replacement for 2020 (see FAQs for more details).
- ✓ The Coalition unions will also be **empowered to help keep annual premium increases in check** with a **seat at the table** during yearly premium negotiations between the County and plan providers.
- ✓ The JLMBC will continue to **work on plan design changes that will reduce costs** and improve quality of care for County workers.
- ✓ In the event the benchmark plan's premium costs fall (currently Kaiser A), the County will pay the same amount towards premiums in the previous year. This will protect against short-term fluctuations and create more consistency.
- ✓ **In 2021, Kaiser B plan participants will have a \$20/\$40/\$60 monthly premium cost** for employee/employee +1/ employee +2 or more coverage. \$20/\$40/\$60 will be the minimum monthly employee premium cost going forward from 2021.
- ✓ Per the insistence of the County, no new healthcare plan can add to the County's retiree healthcare costs.