

**SIDE LETTER AGREEMENT BETWEEN
CONTRA COSTA COUNTY & THE HEALTHCARE COALITION
ON 2015 HEALTH PLAN REOPENER**

This Side Letter is by and between IFPTE Local 21, AFSCME Local 512, AFSCME Local 2700, SEIU Local 1021, and the Western Council of Engineers (collectively referred to as "the Healthcare Coalition") and the County of Contra Costa ("County") and is effective October 1, 2015, following approval by the Board of Supervisors.

This Side Letter amends the Memoranda of Understanding (MOUs) between the County and the Healthcare Coalition to add the new language set forth below to the following sections of the Healthcare Coalition MOUs:

IFPTE Local 21:	Section 12- Health, Dental, & Related Benefits
AFSCME Local 512:	Section 20- Health, Life & Dental Care
AFSCME Local 2700:	Section 20- Health, Life & Dental Care
SEIU Local 1021-R&F:	Section 18- Health, Life & Dental Care
SEIU Local 1021-SLS:	Section 19- Health, Life & Dental Care
Western Council of Engineers:	Section 19- Health, Life & Dental Care

Replace subsection _____.1 Health Plan Coverages in its entirety with the following new language :

_____.1 Health Plan Coverages.

The County will provide the medical and dental coverage for permanent employees regularly scheduled to work twenty (20) or more hours per week and for their eligible family members, expressed in one of the Medical Plan contracts and one of the Dental Plan contracts between the County and the following providers:

1. Contra Costa Health Plans (CCHP)
2. Kaiser Permanente Health Plan
3. Health Net
4. Delta Dental
5. DeltaCare (PMI)

Medical Plans:

All employees will have access to the following medical plans:

1. CCHP Plan A & Plan B
2. Kaiser Permanente Plan A & Plan B
3. Health Net HMO Plan A & Plan B
4. Health Net PPO Plan A
5. Kaiser High Deductible Health Plan

Health Net PPO Plan B will be eliminated for all employees beginning January 1, 2018.

In the event that one of the medical plans listed above meets the criteria for a high cost employer-sponsored health plan that may be subject to an excise penalty (a.k.a. Cadillac Tax) under the federal Patient Protection and Affordable Care Act ("ACA") (42 U.S.C. § 18081), the Joint Labor/Management Benefit Committee will meet to consider plan design and other changes in an effort to mitigate the negative impact of the excise penalty. If the Committee is unable to make sufficient plan changes and the plan(s) continue to meet the criteria for high cost employer-sponsored health plan(s), such plan(s) will be eliminated for all employees beginning January 1, 2018.

Replace subsection _____.2- Monthly Premium Subsidy, paragraph A., in its entirety with the following new paragraph A.:

____.2 Monthly Premium Subsidy:

- A. The monthly premium subsidy in effect on January 1, 2015, for each medical and/or dental plan, is a set dollar amount and is not a percentage of the premium charged by the plan. The County will pay the following monthly premium subsidy:

<u>Health & Dental Plans</u>	<u>Employee</u>	<u>Employee +1 Dependent</u>	<u>Employee +2 or More Dependents</u>
Contra Costa Health Plans (CCHP), Plan A	\$509.92	\$1,214.90	\$1,214.90
Contra Costa Health Plans (CCHP), Plan B	\$528.50	\$1,255.79	\$1,255.79
Kaiser Permanente Health Plans	\$478.91	\$1,115.84	\$1,115.84
Health Net HMO Plans	\$627.79	\$1,540.02	\$1,540.02
Health Net PPO Plans	\$604.60	\$1,436.25	\$1,436.25
Kaiser High Deductible Health Plan	\$478.91	\$1,115.84	\$1,115.84
Delta Dental with CCHP A or B	\$41.17	\$93.00	\$93.00
Delta Dental with Kaiser or Health Net	\$34.02	\$76.77	\$76.77
Delta Dental without a Health Plan	\$43.35	\$97.81	\$97.81
DeltaCare (PMI) with CCHP A or B	\$25.41	\$54.91	\$54.91
DeltaCare (PMI) with Kaiser or Health Net	\$21.31	\$46.05	\$46.05
DeltaCare (PMI) without a Health Plan	\$27.31	\$59.03	\$59.03

Add new paragraph D. to Section _____.2 Medical Premium Subsidy :

D. Joint Labor/Management Benefit Committee. The Unions and County agree to create a Joint Labor/Management Benefit Committee ("Benefit Committee") and convene in order to 1) select a replacement medical or dental plan in the event that a plan listed in this Section ____ is no longer available; 2) design a wellness program; 3) discuss future medical, dental, or vision plan design; or 4) assess the future impact of any excise tax pursuant to the federal Patient Protection and Affordable Care Act ("ACA") (42 U.S.C. § 18081) on any high cost medical plans offered by the County. The Benefit Committee replaces the existing Healthcare Oversight Committee. The existing Healthcare Coalition will remain, but may meet quarterly. The Benefit Committee will be composed of two (2) representatives (not including Union/Association staff) from each Union/Association in the County and Management representatives to be determined. If the Benefits Committee is selecting a replacement medical or dental plan, the selection must be unanimously agreed upon by the Union/Association representatives on the

Committee and any such selected plan will be available to employees represented by the Unions and incorporated into their respective MOUs after ratification by each Union/Association. The Benefit Committee will convene no later than February 1, 2016, after ratification of this Agreement.

Add new subsection .7 as follows and renumber subsections accordingly:

.7 Medical Plan Cost-Sharing on and after January 1, 2016.

a. For the plan year that begins on January 1, 2016, the County will pay the monthly premium subsidy for medical plans stated in subsection .2.A. In total, the County will pay the following amounts for the 2016 plan year:

<u>Medical Plans</u>	<u>Employee</u>	<u>Employee +1 Dependent</u>	<u>Employee +2 or More Dependents</u>
Contra Costa Health Plans (CCHP), Plan A	\$530.56	\$1,049.81	\$1,646.89
Contra Costa Health Plans (CCHP), Plan B	\$549.42	\$1,068.65	\$1,737.03
Kaiser Permanente Health Plan A	\$435.38	\$803.96	\$1,493.79
Kaiser Permanente Health Plan B	\$445.04	\$881.68	\$1,407.40
Health Net HMO Plan A	\$669.34	\$1,131.34	\$2,280.09
Health Net HMO Plan B	\$662.01	\$1,280.20	\$2,060.75
Health Net PPO Plan A	\$727.94	\$1,112.03	\$2,755.43
Health Net PPO Plan B	\$715.64	\$1,144.40	\$2,623.86
Kaiser High Deductible Health Plan 4310	\$447.04	\$916.72	\$1,387.40

b. For the plan year that begins on January 1, 2017, and for the term of this agreement, if there is an increase in the monthly premium, including any plan premium penalty, charged by a medical plan, the County and the employee will each pay fifty percent (50%) of the monthly increase that is above the amount of the 2016 plan premium. The fifty percent (50%) share of the monthly medical plan increase paid by the County is in addition to the amounts paid by the County in subsection a., above, for medical plans.

c. 2016 Plan Premium Amounts: For purposes of calculating the County and Employee cost-sharing increases described in .b, above, the following are the 2016 total monthly medical plan premium amounts:

<u>Medical Plans</u>	<u>Employee</u>	<u>Employee +1 Dependent</u>	<u>Employee +2 or More Dependents</u>
Contra Costa Health Plans (CCHP), Plan A	\$657.08	\$1,314.15	\$1,971.23
Contra Costa Health Plans (CCHP), Plan B	\$728.38	\$1,456.77	\$2,185.15
Kaiser Permanente Health Plan A	\$749.80	\$1,499.60	\$2,249.39
Kaiser Permanente Health Plan B	\$585.68	\$1,171.36	\$1,757.04
Health Net HMO Plan A	\$1,208.76	\$2,417.52	\$3,626.27
Health Net HMO Plan B	\$840.55	\$1,681.10	\$2,521.65
Health Net PPO Plan A	\$1,643.40	\$3,286.80	\$4,930.20
Health Net PPO Plan B	\$1,479.47	\$2,958.94	\$4,438.40
Kaiser High Deductible Health Plan	\$470.10	\$940.21	\$1,410.32

Replace the Health Plan Re-Opener subsection in each MOU with the following:

Health Benefit Access for Employees Not Otherwise Covered. To access County health plans, an employee who is not otherwise eligible for health coverage by the County, must be eligible to receive an offer of coverage from the County under the federal Patient Protection and Affordable Care Act ("ACA") (42 U.S.C. § 18081). Employees eligible to receive an offer of coverage (and qualified dependents), will be offered access to County health insurance plans. Employees will be responsible for the full premium cost of coverage.

The terms of this Side Letter will be incorporated into the successor MOUs between the County and the Healthcare Coalition. All other terms and conditions of the MOUs between Contra Costa County and the Healthcare Coalition remain unchanged by this Side Letter.

Date: 9/30/15

Contra Costa County:
(Signature / Printed Name)

COALITION:
(Signature / Printed Name)

Chief Negotiator

IFPTE Local 21

[Signature] / Stacey Ave
Labor Relations

[Signature] / Jonathan Wright

[Signature] / Alan Mangalindan

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