

Memorandum of Agreement
Modification of Article 11 – Health and Welfare

I. Parties

The parties to this Agreement are Multnomah County, Oregon, hereinafter referred to as the County, and Local 88, of the American Federation of State, County and Municipal Employees, AFL-CIO, hereinafter referred to as the Union.

II. Background

On August 20, 2008 the County and the Union entered into a Memorandum of Agreement that combined the work of the “Joint Committee on 30- Hour Employees” and the “Employee Benefit Team (EBT) Committee.” After signing the agreement it came to the attention of both parties the agreement did not capture all the changes agreed to by the parties. Specifically;

- Three-Quarter Time employee Opt-Out reimbursement was not included, and
- Update language as pertaining to default enrollment failed to identify change in plan eligibility.

Therefore, the parties have entered into this agreement to capture the changes agreed by the August 20, 2008 Memorandum of Agreement and other changes that the August 20, 2008 Memorandum of Agreement failed to capture.

This MOA combines the compiled work of the two committees listed above. The overall summary of the changes remains the same.

For health coverage there will be three (3) employee status designations: Half-Time, Full-time and the new designation of Three-Quarter Time. County contributions and employee contributions will vary by which status designation the employee is assigned. The work to determine the designations was completed by the "Joint Committee on 30-Hour Employees." This completed the work of this team and they have disbanded.

1 The development of the Platinum Medical Plan in lieu of the Plus and Preferred
2 plans and the development of the employee premium shares percentages were
3 developed by the Employee Benefit Team. This does not conclude the work of this
4 team and it will continue to meet throughout the life of the contract.

5 6 **III. Agreement**

7
8 Effective January 1, 2009, Article 11 is modified as follows:

9 (Note: Bold language identifies changes per the August 20, 2008 memorandum of
10 agreement and additional changes necessary as a result of the memorandum. Strikeout
11 language identifies language that no longer applies.)

12 13 **ARTICLE 11** 14 **HEALTH AND WELFARE**

15 16 17 **I. Medical and Dental Insurance**

18
19 ~~The following cost sharing model and the plan design changes as listed in~~
20 ~~Addendum K are the default options if the Employee Benefit Team (EBT) (as outlined~~
21 ~~under section I.B.) is unable to reach agreement.~~

22 **A. Contribution Toward Insurance Premiums**

23 **Medical/Vision/Prescription/Dental Insurance Plans**

24 **1. ODS Medical Plan**

25 **a. Effective January 1, 2009, the County will offer a new**
26 **self-insured medical plan administered by ODS. The new plan is the ODS**
27 **Platinum Plan.**

28 **b. Effective January 1, 2009, the Plus and Preferred plans**
29 **will no longer be available to members (active, COBRA, or retired).**

30 **c. The Major Medical Plan will continue to be offered**
31 **through December 31, 2009 to Full-Time, Part-Time employees, COBRA, and**

retired participants. Effective January 1, 2010, the Major Medical Plan will only be available to Part-Time employees, COBRA, and retired participants.

d. The new ODS Platinum Plan will be administered by ODS and will include the following coverage:

Medical Coverage Levels		
Annual Deductible	\$300.00 individual	\$900.00 family
Annual Out of Pocket Maximum	\$1,500.00 individual	\$4,500.00 family
Alternative Care (limited to licensed chiropractor or massage therapist)	50% up to \$350.00 per individual	No family maximum
Emergency Room	\$100.00 co-pay Waived if admitted	
Routine Physical (payable at appropriate co-insurance level and not subject to annual deductible)	Up to \$400.00 – per plan year for services rendered by a MD, DO, or ND	
Percentage of coverage by plan		
Type of Care	In-Network Provider	Out of Network Provider
Office Visits	85%	65%
Inpatient Hospital	85%	65%
Outpatient Surgery	85%	65%
Acupuncture	85%	65%
Lifetime Maximum	\$2 million per person (all ODS plans combined)	
Hearing aids (exam/appliance)	50% up to \$500 per 36 months, per ear	
Prescription Drug Coverage for ODS Platinum Plan		
Retail Prescription Drugs	30-Day Supply	
Generic (Tier 1)	20% co-pay with \$50 maximum	
Preferred Brand Name (Tier 2)	20% co-pay with \$50 maximum	
Non-Preferred Brand Name (Tier 3)	50% co-pay with no maximum	
Mail Order Prescription Drugs	90-Day Supply	
Generic (Tier 1)	20% co-pay with \$30 maximum	
Preferred Brand Name (Tier 2)	20% co-pay with \$125 maximum	
Non-Preferred Brand Name (Tier 3)	50% co-pay with no maximum	
Annual Rx out of pocket maximum Tier 1 and Tier 2 only apply towards annual maximum. Co-pays for Tier 3 Non-Preferred Brand Name do not apply towards out of pocket maximum.	\$2,000.00 per person	No family maximum. Not combined with medical out of pocket maximum

1 e. Naturopathic doctors (ND) will be covered the same as
2 medical doctors (MD) and osteopathic doctors (DO). The parties recognize that
3 not all naturopathic doctors are PPO Network members and not all naturopathic
4 procedures are covered by insurance. Employees are responsible for confirming
5 both provider PPO Network status and coverage levels prior to treatment.
6 Routine physical exams are covered per the chart above. The deductible and
7 applicable co-payments will apply for all other covered services. All prescription
8 medication must be purchased through the County's network pharmacy plan.

9 2. ODS Dental Plan There are no changes to the existing ODS
10 Dental Plan.

11 3. Kaiser Medical Plan

12 a. Effective January 1, 2009 office visit co-pays will be ten
13 dollars (\$10).

14 b. Prescription co-pays will be ten dollars (\$10) for a thirty
15 (30) day supply for generic and formulary brand-name medications. The mail
16 order co-pay will be twenty dollars (\$20) for a ninety (90) day supply, generic and
17 formulary brand-name medications.

18 c. The Kaiser Maintenance Medical Plan is available to
19 Part-Time employees and retirees. It is not available to Full-Time employees.

20 4. Kaiser Dental and Orthodontia Plan

21 a. Effective January 1, 2009 office visit co-pay will be ten
22 dollars (\$10).

23 b. Effective January 1, 2009 coverage for Orthodontia
24 treatment will continue to be limited to children under age eighteen (18) only. The
25 maximum benefit allowance, per child, will be three thousand dollars (\$3,000.00).
26 A member will pay fifty percent (50%) of charges, from a Kaiser Orthodontist, for
27 the first six thousand dollars (\$6000) in treatment costs. A member will pay one
28 hundred percent (100%) of charges in excess of the first six thousand dollars
29 (\$6,000) in treatment costs. For example: if the total cost for orthodontia comes
30 to six thousand seven hundred dollars (\$6700), the employee would be
31 responsible for fifty percent (50%) of the first six thousand dollars (\$6000), and

then one hundred percent (100%) of the remainder. In this example the total employee cost would be three thousand seven hundred dollars (\$3700) ($\$6000 \times 50\% = \$3000 + \700 which is 100% of the balance over \$6000). (Any covered dependent who has been banded prior to January 1, 2009 under the existing Kaiser Orthodontic program (which will end December 31, 2008) will remain eligible to receive the existing orthodontic benefit for the remainder of current orthodontic treatment plan or treatment phase.)

1. Full-time employees

a. Full-Time Employee - Definition

Employees who are regularly scheduled to work at least thirty-two (32) hours per week, or regularly scheduled to work at least thirty (30) hours per week on a ten (10) hour per day schedule.

b. Medical/Vision/Prescription Insurance

Effective July 1, 2007 each eligible full-time active enrolled employee's monthly contribution for the purchase of medical/vision/prescription benefit plan coverage will be as follows:

Plan		Total Premium	Full-Time Employee Monthly Contribution Rate	
ODS Plus PPO Plan				-
-	Single	\$499.68	\$49.98	-
-	Two-Party	\$999.38	\$99.94	-
-	Family	\$1,425.14	\$142.50	-
ODS Preferred PPO Plan				-
-	Single	\$439.18	\$13.18	-
-	Two-Party	\$878.36	\$26.36	-
-	Family	\$1,252.58	\$37.58	-
ODS Major Medical Plan - Full-Time employee receives \$50 monthly rebate				-
-	Single	\$225.06	\$0.00	-
-	Two-Party	\$448.68	\$0.00	-
-	Family	\$639.14	\$0.00	-
Kaiser HMO Plan				-
-	Single	\$430.64	\$8.60	-

-	Two-Party	\$861.28	\$17.24	-
-	Family	\$1,227.32	\$24.54	-

The County and Union agree to shift the Health plan year from the current fiscal year basis of July — June to a calendar year basis as of January 1, 2009. Although the above listed Total Premiums may change on July 1, 2008, the County agrees to maintain the listed Employee Monthly Contribution Rates through December 31, 2008.

Effective January 1, 2009 each eligible full-time active enrolled employee's monthly contribution for medical/vision/prescription coverage will be calculated as a percentage of the total monthly premium for each medical/vision/prescription benefit plan is as follows:

Health Plan	County Contribution	Full-Time Employee Contribution
ODS Plus Plan	90%	10%
ODS Preferred Plan	95%	5%
ODS Major Medical Plan	100%	0%
Kaiser Medical Plan	95%	5%

c. Dental Insurance

Effective July 1, 2007 each eligible full-time active enrolled employee's monthly contribution for the purchase of dental benefit plan coverage will be as follows:

Plan	Total Premium	Full-Time Employee Monthly Contribution Rate	
ODS Dental Plan			-
- Single	\$46.92	\$4.68	-
- Two-Party	\$93.86	\$8.46	-
- Family	\$133.72	\$12.04	-

Kaiser Dental Plan				-
-	Single	\$71.66	\$8.04	-
-	Two-Party	\$143.30	\$16.08	-
-	Family	\$204.20	\$23.80	-

The County and Union agree to shift the Health plan year from the current fiscal year basis of July — June to a calendar year basis as of January 1, 2009. Although the above listed Total Premiums may change on July 1, 2008, the County agrees to maintain the listed Employee Monthly Contribution Rates through December 31, 2008.

Effective January 1, 2009 each eligible full-time active enrolled employee's monthly contribution for dental coverage will be calculated as a percentage of the total monthly premium for each dental benefit plan is as follows:

Dental Plan	County Contribution	Full-Time Employee Contribution
ODS Dental Plan	95%	5%
Kaiser Dental Plan	95%	5%

2. Part-time employees

a. Part-Time Employee - Definition

Employees who are regularly scheduled to work twenty (20) to thirty-one and ninety-nine one-hundredths (31.99) hours per week.

b. Medical/Vision/Prescription Insurance

Effective July 1, 2007 each eligible part-time active enrolled employee's monthly contribution for the purchase of a medical/vision/prescription benefit plan is as follows:

Plan	Total Premium	Part-Time Employee Monthly Contribution Rate
ODS Plus PPO Plan		-
- Single	\$499.68	\$274.62 -

-	Two-Party	\$999.38	\$550.70	-
-	Family	\$1,425.14	\$786.00	-
ODS Preferred PPO Plan				-
-	Single	\$439.18	\$164.12	-
-	Two-Party	\$878.36	\$379.68	-
-	Family	\$1,252.58	\$563.44	-
ODS Major Medical Plan				-
-	Single	\$225.06	\$0.00	-
-	Two-Party	\$448.68	\$0.00	-
-	Family	\$639.14	\$0.00	-
Kaiser HMO Plan				-
-	Single	\$430.64	\$155.58	-
-	Two-Party	\$861.28	\$362.60	-
-	Family	\$1,227.32	\$538.18	-
Kaiser Maintenance Medical Plan				-
-	Single	\$323.04	\$0.00	-
-	Two-Party	\$646.06	\$25.84	-
-	Family	\$920.64	\$64.44	-

The County will provide the ODS Major Medical Plan at no cost to part-time employees. Part-time employees may elect to purchase one of the other medical/vision/prescription plans available through the County and part-time employee will pay the difference in cost between the County's allowance for the Major Medical Plan and the cost of the selected plan based on coverage level (single, two-party, or family). The County will provide an additional fifty dollar (\$50) monthly premium subsidy to part-time employees who enroll in either the Kaiser HMO Plan or the ODS Preferred PPO Plan, regardless of tier.

The County and Union agree to shift the Health plan year from its current fiscal year basis of July – June to a calendar year basis as of January 1, 2009. Although the above listed Total Premiums may change on July 1, 2008, the County agrees to maintain the listed Employee Monthly Contribution Rates through December 31, 2008.

1 Effective January 1, 2009 the County will provide the ODS
2 Major Medical Plan at no cost to part-time employees. The part-time employee's
3 monthly contribution rate for the Kaiser Maintenance Plan will equal ten percent (10%)
4 of the total monthly premium for the Kaiser Maintenance Plan. Otherwise, part-time
5 employees may elect to purchase one of the other medical/vision/prescription plans
6 available through the County and part-time employee will pay the difference in cost
7 between the County's allowance for the Major Medical Plan and the cost of the selected
8 plan based on coverage level (single, two party, or family). The County will provide an
9 additional fifty dollar (\$50) monthly premium subsidy to part-time employees who enroll
10 in either the Kaiser HMO Plan or the ODS Preferred PPO Plan, regardless of tier.

11 **c. Dental Insurance**

12 Part-time employees may receive dental benefits upon
13 payment of fifty percent (50%) of the total monthly dental plan premium.

14 **d. Joint Committee on 30 Hour Employees**

15 The parties recognize that the current structure for
16 employees who work thirty (30) hours but less than thirty-two (32) hours per week
17 should be reviewed and modified. The parties agree to form a joint labor management
18 committee to review the feasibility of modifying the benefits structure for employees who
19 are regularly scheduled to work thirty (30) hours per week but less than thirty-two (32)
20 hours. The committee is specifically charged with exploring the feasibility of options for
21 cost sharing. In proposing changes, the committee shall give consideration to
22 increased costs to the County, ease of administration, the current contract provisions for
23 premium reimbursement, and consistent treatment of all benefit eligible part-time
24 employees. The Committee shall convene no later than forty-five (45) days following
25 the Board of County Commissioners ratification of this agreement, and shall complete
26 its work and issue a recommendation for changes no later than September 30, 2008.
27 Any changes agreed to as a result of the committee's recommendations will be
28 implemented through a Memorandum of Agreement between the parties, subject to
29 ratification as required by Union and County requirements.

30 **Note: The work of this committee has been concluded with the signing of**
31 **the August 20, 2008 Memorandum of Agreement.**

1 **B. Definitions and Contributions Toward Insurance Premiums**

2 **1. Definitions**

3 **a. Full-Time Employee Definition**

4 Employees who are regularly scheduled to work at least
5 thirty-two (32) hours per week, or regularly scheduled to work at least thirty (30)
6 hours per week on a ten (10) hour per day schedule.

7 **b. Part-Time Employee Definition**

8 Effective January 1, 2009 the following definitions will
9 apply to Part-Time employees related only to Article 11, Section I Medical and
10 Dental Insurance. These new definitions do not apply to other sections or articles
11 of the contract.

12 **i) Three-Quarter Time Employee Definition**

13 Employees who are regularly scheduled to work
14 at least thirty (30) hours but less than thirty-two (32) hours per week (however,
15 not scheduled for three (3), ten (10) hours per day) are hereinafter referred to as
16 Three-Quarter Time employees.

17 **ii) Half-Time Employee Definition**

18 Employees who are regularly scheduled to work
19 at least twenty (20) hours but less than thirty (30) hours per week are hereinafter
20 referred to as Half-Time employees.

21
22 **2. Medical Insurance Contributions**

23 **a. Full-Time Employees**

24 Effective January 1, 2009 each eligible Full-Time active,
25 enrolled employee's monthly contribution for medical/vision/prescription
26 coverage will be calculated as a percentage of the total monthly premium as
27 follows:
28

Full-Time Employees		
Medical Plan	County Contribution	Employee Contribution
ODS Platinum Plan	93.25%	6.75%
ODS Major Medical Plan	100%	0%

Kaiser Medical Plan	95%	5%
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During 2009 Full-Time employees who enroll in the Major Medical coverage will be eligible for a monthly fifty dollar (\$50) rebate.

b. Three-Quarter Time Employees

Effective January 1, 2009 each Three-Quarter Time eligible active, enrolled employee's monthly contribution for medical/vision/prescription coverage will be calculated as a percentage of the total monthly premium by tier as follows:

Three-Quarter Time Employees		
Medical Plan	County Contribution	Employees' Contribution
ODS Platinum Plan	75%	25%
ODS Major Medical Plan	100%	0%
Kaiser Medical Plan	75%	25%
Kaiser Maintenance Medical Plan	90%	10%

c. Half-Time Employees

Effective January 1, 2009 each Half-Time eligible active, enrolled employee's monthly contribution for medical/vision/prescription coverage will be calculated as a percentage of the total monthly premium for each medical/vision/prescription benefit plan and coverage tier as follows:

Half-Time Employees		
Medical Plan	County Contribution	Employees' Contribution
ODS Platinum Plan	50%	50%
ODS Major Medical Plan	100%	0%
Kaiser Medical Plan	50%	50%
Kaiser Maintenance Medical Plan	90%	10%

d. Effective January 1, 2009 Half-Time employees who enroll in the ODS Platinum Plan will receive an additional thirty-five dollar (\$35) monthly premium subsidy provided by the County. This additional premium subsidy will end December 31, 2009. Beginning January 1, 2010, there will be no premium subsidy associated with this election.

e. Effective January 1, 2009 Half-Time employees who enroll in the Kaiser Medical Plan will receive an additional fifty dollar (\$50) monthly premium subsidy provided by the County. This monthly premium subsidy will continue for the duration of the contract.

3. Dental Insurance Contributions

a. Effective January 1, 2009 each eligible Full-Time active, enrolled employee's monthly contribution for dental coverage will be calculated as a percentage of the total monthly premium as follows:

Full-Time Employees		
Dental Plan	County Contribution	Employee Contribution
ODS Dental Plan	95%	5%
Kaiser Dental Plan	95%	5%

b. Effective January 1, 2009 each eligible Three-Quarter Time active, enrolled employee's monthly contribution for dental coverage will be calculated as a percentage of the total monthly premium as follows:

Three-Quarter Time Employees		
Dental Plan	County Contribution	Employees' Contribution
ODS Dental Plan	75%	25%
Kaiser Dental Plan	75%	25%

c. Effective January 1, 2009 each eligible Half-Time active, enrolled employee's monthly contribution for dental coverage will be calculated as a percentage of the total monthly premium as follows:

Half-Time Employees		
Dental Plan	County Contribution	Employees' Contribution
ODS Dental Plan	50%	50%
Kaiser Dental Plan	50%	50%

C. Premium Reimbursement for Part-time Employees

1. Reimbursement Eligibility

Effective January 1, 2009 Three-Quarter Time and Half-Time

employees will be eligible for premium reimbursement if they work the minimum required number of hours for each of six (6) consecutive pay periods. The six (6) pay periods used for calculation are considered a single qualifying block of time. The six (6) consecutive pay period block shall only be applied to one reimbursement request. Changes to a submitted reimbursement request will be considered only if a submitted payroll period is determined to be ineligible.

2. Hours Required for Reimbursement

a. For purposes of this calculation, Full-Time is defined as the total number of regular hours in a pay period for an employee scheduled to work Monday through Friday, eight (8) hours per day.

b. "Work" for purposes of this section is defined as regular hours worked, and any paid time such as holiday, vacation or sick time. Overtime hours are not considered time worked for purposes of reimbursement calculations.

c. Hours required for Three-Quarter Time reimbursements and Full-Time reimbursements per pay period will be calculated according to the chart below.

Per Pay Period		
Total Regular Hours	Minimum Qualifying Hours	
Full-Time	Full-Time Reimbursements	Three-Quarter Time Reimbursements
72	57.5	54
80	64	60
88	70.5	66
96	76.75	72

3. Reimbursement Options (Effective January 1, 2009)

a. Full-Time Reimbursement

Three-Quarter Time employees and Half-Time employees may be eligible for Full-Time reimbursements. To qualify, time worked in each pay period must meet the minimum qualifying hours for Full-Time reimbursements for all six (6) consecutive pay periods. Any such premium reimbursements made to

1 the employee will be adjusted for appropriate taxes.

2 b. Three-Quarter Time Reimbursement

3 Half-Time employees may be eligible for Three-Quarter Time
4 reimbursements. To qualify, time worked in each pay period must meet the
5 minimum qualifying hours for Three-Quarter Time reimbursements for all six (6)
6 consecutive pay periods. Any such premium reimbursements made to the
7 employee will be adjusted for appropriate taxes.

8 c. Example

9 A Half-Time employee works six (6) consecutive pay periods,
10 three (3) pay periods at Three-Quarter Time and three (3) pay periods at Full-Time
11 (see chart). The employee would be eligible to apply for a Three-Quarter
12 reimbursement using these six (6) consecutive pay periods. The employee would
13 not be eligible to apply for a Full-Time reimbursement using these six (6)
14 consecutive pay periods.

15 d. Reimbursements Combining 2008 and 2009 Pay Periods

16 Any requests using a combination of 2008 and 2009 pay
17 periods will be eligible for Full-Time reimbursement only. The minimum
18 qualifying hours for 2008 is sixty-four (64) hours per pay period. The minimum
19 qualifying hours for 2009 is based on Full-Time reimbursement hours in the
20 above chart listed above.

21 e. Employees who elect the Kaiser Maintenance Plan will
22 not be eligible for medical plan premium reimbursements.

23 f. Employees who elect the Major Medical Plan will not be
24 eligible for medical plan premium reimbursements.

25 g. Employees who elect to "Opt-out" and/or decline dental
26 plan enrollment will not be eligible for premium reimbursement.

27 h. Reimbursement payments will be made only upon
28 written request submitted by the employee to the Employee Benefits Office within
29 ninety (90) days of the last payroll period of eligible Full-Time or Three-Quarter
30 Time work.

31 D. Employee Cost-Share Review

1 1. The parties recognize that the current structure for employee
2 premium sharing needs to be reviewed and modified. Certain inequities are built
3 into the current system. For example, employees who are regularly scheduled to
4 work:

5 a. at least thirty-two (32) hours per week but less than forty
6 (40) hours or regularly scheduled to work at least thirty (30) hours per week on a
7 ten (10) hour per day schedule are considered Full-Time employees,

8 b. at least thirty (30) hours per week but less than thirty-
9 two (32) hours per week are considered Three-Quarter Time employees, and

10 c. at least twenty (20) hours per week but less than thirty
11 (30) hours per week are considered Half-Time employees.

12 The parties agree that the Employee Benefit Team is charged
13 with exploring the feasibility of designing a pro-rated employee premium sharing
14 structure that is more equitably linked to actual FTE than the three tiers created
15 by this Memorandum of Agreement.

16 The parties agree that the Employee Benefit Team shall review
17 the current structure and issue a recommendation for change no later than
18 September 30, 2010.

19 **BE. Changes in Plan Designs During the Term of Agreement.**

20 Local 88 and the County recognize the increase in health care costs to be a
21 major concern. In an effort to collaborate over quality health plans, design changes and
22 increasing costs, ~~the parties agree to establish an eight (8) member team (four (4) for~~
23 ~~each party)~~ **the established Employee Benefit Team (EBT) will continue to meet** to
24 review and approve carrier or county initiated changes in plan designs, changes in
25 plans offered, or changes in carriers, prior to implementation for the following plan year.
26 ~~Meetings will commence no later than forty-five (45) days after ratification of this~~
27 ~~agreement to establish initial guidelines for Employee Benefit Team (EBT)~~ **continue on**
28 **a regular basis.** ~~For the first year, the EBT shall meet weekly to review the current~~
29 ~~structure and proposed changes.~~ Changes in plans or plan designs which are
30 mandatory due to carrier changes, and which cannot be resolved by the committee,
31 shall be subject to impact bargaining only. Mandated coverage changes due to Federal

1 or State laws, rules, or regulations shall be presented to the EBT but will be
2 implemented by the County as required by law. ~~The EBT shall examine alternatives to~~
3 ~~the plan design changes outlined in Addendum K. If the parties are unable to reach~~
4 ~~agreement on alternatives the plan design changes in Addendum K shall by default~~
5 ~~become effective on January 1, 2009.~~

6 **CF. Premium Calculations**

7 For Kaiser Plans, the premium charges shall be the amount charged by
8 Kaiser to the County. For the ODS plans, the premium charges shall be calculated,
9 using sound actuarial principles, and include projected claim costs based on plan
10 experience as required by state regulations, IBNR expenses, Oregon Medical Insurance
11 Pool assessments, pharmaceutical claim expenses, stop-loss premiums, third-party
12 benefit plan administration costs, and an appropriate trend factor selected to limit
13 County contributions and employee cost shares while providing adequate funding for
14 plan operations.

15 **DG. Employee Contribution**

16 Employee contributions will be made through payroll deductions.
17 Enrollment in a County sponsored medical/vision/prescription plan and associated
18 employee contribution is mandatory for employees who do not "Opt Out" of
19 medical/vision/prescription coverage.

20 **E. Major Medical Plan Rebates**

21 ~~Full-time employees who elect coverage under the Major Medical Plan will~~
22 ~~be paid fifty dollars (\$50) (gross) per month.~~

24 **FH. Opt-Out - Waiver of Benefits.**

25 a. Employees may elect to waive participation (Opt Out of coverage)
26 in the County's medical/vision/prescription insurance plans by making that election on
27 their Benefit Enrollment form. Employees making such election must provide proof of
28 other group medical/vision/prescription insurance in order to make the Opt Out election.
29 Employees will not be eligible to change their election until the County's official open
30 enrollment period, unless the employee experiences an IRS recognized family status
31 change event that would allow a mid-year health plan election change.

1 b. Full-Time Employees Who Opt Out.

2 Effective July 1, 2007 employees who Opt Out of
3 medical/vision/prescription coverage will receive a reimbursement paid by the County of
4 one-hundred and fifty dollars (\$150) (gross) per month.

5 Effective January 1, 2009 **Full-Time** employees who Opt Out of
6 medical/vision/prescription coverage will receive a reimbursement paid by the County of
7 two-hundred and fifty dollars (\$250) (gross) per month.

8 c. Part-Time Employees who waive coverage.

9 Effective July 1, 2007 employees who waive
10 medical/vision/prescription coverage will receive a reimbursement paid by the County of
11 seventy-five (\$75) (gross) per month.

12 Three-Quarter Time Employees who waive coverage.

13 **Effective January 1, 2009 Three-Quarter Time employees who**
14 **wave medical/vision/prescription coverage will receive a reimbursement paid by**
15 **the County of one-hundred-eighty-seven dollars and fifty cents (\$187.50) (gross)**
16 **per month.**

17 d. Half-time Employees who waive coverage.

18 Effective January 1, 2009 **Half-Time** employees who waive
19 medical/vision/prescription coverage will receive a reimbursement paid by the County of
20 one-hundred-twenty-five dollars (\$125) (gross) per month.

21
22 **GI. Successor Plans and Carriers**

23 In the event that any of the current insurance plans become unavailable,
24 the County agrees to provide to affected employees a substitute plan for the same
25 service delivery type, if available, at substantially the same or better benefit levels. If a
26 plan or carrier is discontinued and no substitute plan is available of the same service
27 delivery type, the employee will be offered the option to enroll in an alternative service
28 delivery plan.

29 If the County chooses to change from a plan or carrier which is still
30 available, the County agrees that the overall existing level of benefits for each plan will
31 not be reduced.

1 **H. Premium Reimbursement for Part-time employees**

2 ~~Part-time employees who work full time (at least eight tenths (.8) FTE) for~~
3 ~~six (6) consecutive pay periods will be reimbursed for the difference between the part-~~
4 ~~time employee contribution and the full-time employee contribution, as if they were~~
5 ~~entitled to full-time benefits during that period for their elected County offered medical~~
6 ~~and/or dental plans. A part-time employee who has elected the Kaiser Maintenance~~
7 ~~Plan will be reimbursed for the amount of their part-time employee contribution~~
8 ~~(because this plan does not have a full-time equivalent plan). There is no~~
9 ~~reimbursement available to employees who have elected the Major Medical Plan or who~~
10 ~~Opt Out. Any such premium reimbursements made to the employee will be adjusted for~~
11 ~~appropriate taxes.~~

12 ~~"Work" for purposes of this section is defined as regular hours worked,~~
13 ~~and any paid time such as vacation or sick time. Such payments will be made only~~
14 ~~upon written request submitted by the employee to the Employee Benefits Office within~~
15 ~~ninety (90) days of the last payroll period of full-time work.~~

16 **IJ. Retirees**

17 Provisions governing retiree participation in County medical and dental
18 plans are in Article 16, "Section VI".

19 **JK. Default Enrollment**

20 1. **Effective January 1, 2009**, new Full-Time employees who fail to
21 submit timely application for enrollment into the medical-dental benefit plans described
22 in Section A will be enrolled by default in the County's Major Medical plan and ODS
23 Dental plan, with employee only coverage. **Effective January 1, 2010, new Full-Time**
24 **employees who fail to submit timely application for enrollment into the medical-**
25 **dental benefit plans described in Section A will be enrolled by default in the**
26 **County's Platinum Major Medical plan and ODS Dental plan, with employee only**
27 **coverage.** Eligible dependents of such employees may be enrolled in the default plans
28 if the employee submits application requesting dependent enrollment within fifteen (15)
29 days of receiving notice of his or her default enrollment.
30

2. **Effective January 1, 2009** new **Three-Quarter-Time and Half-Time** ~~part-time~~ employees who fail to submit a timely application for enrollment into the medical and dental benefits described in Section A above will be enrolled by default in the County's Major Medical plan, with employee only coverage. Eligible dependents of such employees may be enrolled in the default plan if the employee submits application requesting dependent enrollment within fifteen (15) days of receiving notice of his or her default enrollment.

KL. Eligible Dependents (Enrollment & Termination of Enrollment)

1. Spouses and domestic partners

a. Definitions

i. A "spouse" is a person to whom the employee is married under Oregon law.

ii. A "domestic partner" is a person with whom the employee:

(a) Jointly shares the same permanent residence for at least six (6) months immediately preceding the date of signing an Affidavit of Marriage or Domestic Partnership; and intends to continue to do so indefinitely, or if registered with the Multnomah County partnership registry, the six (6) month waiting period is waived; and

(b) Has a close personal relationship; and

(c) In addition, the employee and the other person must share the following characteristics:

(1) Are not legally married to anyone;

(2) Are each eighteen years of age or older;

(3) Are not related to each other by blood in a degree of kinship closer than would bar marriage in the State of Oregon;

(4) Were mentally competent to contract when the domestic partnership began;

(5) Are each other's sole domestic partner;

(6) Are jointly responsible for each other's common welfare including "basic living expenses" as defined in the Affidavit of Marriage

1 or Domestic Partnership.

2 b. Enrollment of Spouse/Domestic Partner

3 Employee may enroll spouse or domestic partner in County
4 medical and dental plans upon completion of the County's Affidavit of Marriage or
5 Domestic Partnership and applicable enrollment forms. Enrollment times and other
6 procedures for administration of the medical/vision and dental insurance plans shall be
7 applied to employees with domestic partners in the same manner as to married
8 employees to the extent allowed by the law. Spouse or domestic partner must be
9 enrolled in the same plan as the employee.

10 2. Children

11 a. Definition

12 "Eligible children" includes:

13 i. any unmarried, biological or adoptive child of the
14 employee or employee's spouse/domestic partner, who is under the age of twenty-three
15 (23), is a dependent under the federal tax code, and chiefly supported by the employee
16 or employee's spouse/domestic partner; or

17 ii. a court appointed ward of the employee or
18 employee's spouse/domestic partner; or

19 iii. anyone under the age of twenty-three (23) for whom
20 the employee is required by court order to provide coverage, or

21 iv. the children (grandchild of employee) of enrolled,
22 eligible children of the employee or employee's spouse/domestic partner when both
23 grandchild and parent child are currently enrolled as dependents under employee's
24 County sponsored coverage.

25 An eligible dependent enrolled under employee's County
26 sponsored health plan, who becomes permanently disabled prior to their twenty-third
27 (23rd) birth date, may be eligible for continued health plan coverage after reaching the
28 usual maximum dependent age of twenty-three (23). Employees with a dependent child
29 in this situation should contact the County Employee Benefits Office three months prior
30 to child's twenty-third (23rd) birth date to initiate eligibility review process.

31 b. Enrollment of Dependent Children

1 Employee may enroll eligible children in County medical and
2 dental plans upon completion of the County's applicable enrollment forms. Children
3 must be enrolled in the same plans as the employee.

4 3. Termination of Dependent Health Plan Coverage

5 a. A written notice from the employee upon termination of
6 marriage or domestic partnership or any other change in dependent eligibility is
7 required. Employees are responsible for timely reporting of any change in the eligibility
8 status of enrolled dependent family members to the County Employee Benefits Office.

9 b. Employees whose marriage or domestic partnership ends
10 must complete, sign, and file with the Employee Benefits Office a copy of the statement
11 of Termination of Marriage/Domestic Partnership within ninety (90) days of death,
12 divorce, or dissolution of marriage/domestic partnership.

13 c. Employees must remove from coverage a child who has
14 become ineligible because he or she is twenty-three (23) years old, or for any other
15 reason within ninety (90) days of disqualifying event by completing a Benefit Change
16 form and submitting completed form to the Employee Benefits Office.

17 d. To protect COBRA rights, employees must notify Employee
18 Benefits Office of the dependent's status change within sixty (60) days of the qualifying
19 event. Federal law shall govern COBRA eligibility for disqualified dependents.

20 e. Employees who fail to remove an ineligible spouse, domestic
21 partner, or child within ninety (90) days of the qualifying event will be required to
22 reimburse the County sponsored health plan for claims incurred and paid for during the
23 time the former spouse, partner, or child remained enrolled but was no longer eligible
24 for coverage.

25 **LM.** When Benefits Coverage Begins and Ends

26 1. Coverage for new employees

27 a. Medical and Dental Benefits

28 The employee and eligible dependents will be covered by
29 medical and dental benefits the first day of the month following hire, provided the
30 employee has submitted completed enrollment form and other required documents to
31 the Employee Benefits office prior to that date. Employees who submit an enrollment

form after the first (1st) day of the month following hire, but within thirty-one (31) days of hire, will be covered the first (1st) day of the month following date completed enrollment forms are received by Employee Benefits Office. Employees who do not submit an enrollment form within thirty-one (31) days of hire will be enrolled based on the default enrollment procedure. Coverage under the default plan(s) will begin on the first (1st) day of the month following thirty-one (31) days of employment.

2. Benefits coverage for terminating employees

a. Retirees

i. County-subsidized coverage

Benefits options for retirees are provided for in Article 16, "Section VI".

ii. Unsubsidized benefits

Retirees may continue to participate in County medical and dental benefits plans on a self-pay basis as mandated by law.

b. Other terminating employees

i. County-subsidized coverage

County sponsored medical/vision/prescription and dental coverage ends based on the employees last regularly scheduled working day in pay status:

<u>Last Working Day</u>	<u>Coverage Ends</u>
1st - 15th of month	30/31st of the month
16th - 31st of month	30/31st of the following month

Example: Employee A's last working day in paid status day is July 15. Employee A's County sponsored health plan coverage will end July 31. Employee B's last working day in paid status day is July 16. Employee B's County sponsored health plan coverage will end August 31. Employee B will have additional cost shares deducted from final paychecks to cover the cost shares for August coverage.

ii. Unsubsidized benefits

Terminating employees may purchase continued coverage under County medical and dental benefits plans on a self-pay basis as

mandated by law.

3. Employees on unpaid leaves of absence

a. Leaves of less than thirty (30) days

Employees' benefits coverage will not be affected by unpaid leaves of absence of less than thirty (30) days duration. Unpaid cost shares will be recovered from employee when employee returns to paid status.

b. FMLA and OFLA Leaves

The County will contribute toward medical/vision/prescription and dental insurance coverage during unpaid approved FMLA leave as required by law. Unpaid cost shares will be recovered from employee when employee returns to paid status.

If the employee remains on unpaid leave for more than thirty (30) days after FMLA leave is exhausted, the leave will be treated as an unpaid leave of absence per "Subsection c.i" below, except that the last day of FMLA leave will be deemed the employee's last day in pay status.

During unpaid OFLA leave only, the County will not contribute toward medical/vision/dental insurance coverage.

c. Non-FMLA/OFLA unpaid leaves

i. Lapsing of County-subsidized coverage

If the employee's last regularly scheduled work day in paid status occurs:

<u>Last Day In Paid Status</u>	<u>Coverage Ends</u>
1st - 15th of month	30/31st of the month
16th - 31st of month	30/31st of the following month

Example: Employee A goes on non-FMLA/OFLA unpaid leave effective July 15. Employee A's County sponsored health plan coverage will end July 31. Employee B goes on non-FMLA/OFLA unpaid leave July 16. Employee B's County sponsored health plan coverage will end August 31.

ii. Continuation of Coverage through COBRA

Employees may continue to purchase coverage under

1 County medical and dental benefits plans on a self-pay basis as mandated by law.

2 iii. Benefits Coverage upon return from a leave

3 (a) Employees returning from a leave of absence
4 without pay during the same plan year will be reinstated to the same
5 medical/vision/prescription and dental plans (or successor plans) they had when they
6 left County employment. If they return from leave the first (1st) day of the month,
7 coverage will be in effect upon their return from leave; otherwise, coverage will be in
8 effect the first (1st) day of the month following their return from leave.

9 (b) Employees returning from unpaid non-
10 FMLA/OFLA leave in a new plan year may enroll in different plans within thirty-one (31)
11 days of their return. Such employees must complete a health plan enrollment form
12 upon their return to work. If enrollment forms are received on the first (1st) day of the
13 month, the changed coverage will be effective that day; otherwise, the changed
14 coverage will be in effect the first (1st) day of the month following receipt of the
15 completed enrollment forms by the County Employee Benefits Office.

16 II. Other Benefits

17 A. Flexible Spending Accounts

18 1. Medical expenses

19 To the extent permitted by law, Medical Expense Reimbursement
20 Plan (MERP) accounts, which allow employees to pay for deductibles and un-
21 reimbursed medical, dental, and vision expenses with pre-tax wages, will be available
22 according to the terms of the Multnomah County Medical Expense Reimbursement Plan
23 number 504.

24 2. Dependent care expenses

25 To the extent permitted by law, Dependent Care Assistance Plan
26 (DCAP) accounts, which allow employees to pay for dependent care with pre-tax
27 wages, will be available according to the terms of the Multnomah County Dependent
28 Care Assistance Plan number 502.

29 B. Life Insurance

30 The County agrees to provide each employee covered by this Agreement
31 with term life insurance in the amount of thirty-thousand dollars (\$30,000). Employees

1 may purchase supplemental term life insurance coverage for themselves, their spouse
2 or their domestic partner consistent with carrier contract(s) by payroll deduction.
3 Premiums will vary according to age of the insured. Retirees of Multnomah County who
4 have at least ten (10) years of County service will be provided with two thousand dollars
5 (\$2,000) term life insurance during the period of time they receive pension benefits.

6 C. Emergency Treatment

7 Employees will be provided with emergency treatment for on-the-job
8 injuries, at no cost to the employees, and employees as a condition of receipt of
9 emergency treatment, do agree to hold the County harmless for injuries or damage
10 sustained as a result thereof, if any. Employees further will promptly sign an
11 appropriate Workers' Compensation claim form when presented by the employer.

12 D. Disability Insurance

13 Disability insurance benefits are provided for under Article 9. Sick Leave,
14 "Section IV".

15 E. Long Term Care

16 Any bargaining unit employee covered by this agreement may participate
17 in a long term care insurance program developed by the Union and the County
18 (consistent with carrier contracts), the monthly premiums to be paid individually through
19 payroll deduction.

20 Agreed to this date, 29 June 2009, 2009.

21 For the Union:

22 For the County:

23
24 Valerie Andreas

25 Carol L. Brown

26 Valerie Andreas
27 Council Representative

28 Carol L. Brown
29 Senior Labor Relations Manager

30 Becky Steward

31 Becky Steward
32 President, Local 88
33