

7/27/16
Damon Kelly
for City

7A 7/27/16
May Bho

Tentative Agreement OE3 and City of Cupertino

Signed on July 27, 2016

Disputed
7/27/16

PACKAGE PROPOSAL

SECTION 12: HEALTH AND WELFARE BENEFITS

The City agrees to make available a plan of comprehensive health and welfare benefits for eligible employees, as well as those provided by the Operating Engineers Health and Welfare Trust Fund for Northern California. Any such benefits program must have the continued approval of the Board of Administration, Public Employees Retirement System. For each participating employee, the City shall contribute toward premium cost the following amount per month during the term of this agreement.

July 1, 2013 -- Term of Contract	
Medical Insurance Coverage Level	City Contribution
Employee	765.29
Employee +1	905.29
Employee +2	945.29

1 st full month after OE 3 ratification and Council adoption of MOU	City Max Health Contribution	City Max Dental Contribution*	City Total Max Contribution
Employee	<u>733.39</u>	134.85	868.24
Employee +1	<u>1246.59</u>	134.85	1381.44
Employee +2	<u>1620.57</u>	134.85	1755.42

January 1, 2018	City Max Health Contribution	City Max Dental Contribution	City Total Max Contribution
Employee	<u>769.95</u>	134.85	904.80
Employee +1	<u>1308.92</u>	134.85	1443.77
Employee +2	<u>1701.60</u>	134.85	1836.45

January 1, 2019	City Max Health Contribution	City Max Dental Contribution	City Total Max Contribution
Employee	<u>808.45</u>	134.85	943.30
Employee +1	<u>1374.37</u>	134.85	1509.22
Employee +2	<u>1786.68</u>	134.85	1921.53

Required contribution amounts exceeding the premium contribution of the City are the responsibility of the employee. The City will no longer pay medical insurance cash back (excess of the monthly premium less the cost of the medical coverage) for **new any** employees. **hired after June 30, 2007.**

Effective July 1, 2010, employees that retire or resign from service with the City of Cupertino and who are not eligible for retiree medical benefits, as defined in the summary of benefits, can continue on the Cupertino medical and dental plans provided that they pay the premiums in full.

Section 12.1 City Contributions Health Reimbursement Account

~~Effective in the first full pay period in July 2013, employees will receive a one-time lump sum payment of \$996.00 minus applicable State and Federal taxes. However, for every month past July 2013 that the parties have not finalized the adoption of this agreement, the \$996.00 lump sum minus applicable State and Federal taxes shall be reduced by \$83.00.~~

~~Effective the first full pay period in July 2014, e~~ Each eligible employee enrolled in the City's medical plan as required by the ACA in this unit will receive a \$163.00 monthly contribution from the City into a Health Reimbursement Account (HRA) to be used towards health related expenses, consistent with laws and regulations governing HRAs. ~~City will establish the HRA program prior to July 2014 and agrees to meet with OE3 regarding program implementation.~~

*Dental Coverage: Effective the first month after OE3 ratification and Council adoption of MOU, dental coverage is capped at \$2,500.00 per dependent per annual plan year for the term of this contract.