

Amendment No. 2
TO THE 2012-2014 AGREEMENT
Between and For
THE CITY AND COUNTY OF SAN FRANCISCO
And
THE INTERNATIONAL FEDERATION OF PROFESSIONAL
AND TECHNICAL ENGINEERS, LOCAL 21, AFL-CIO

Consistent with the Tentative Agreement signed on July 31, 2013, the parties hereby amend the Agreement as follows:

III.N. HEALTH AND WELFARE AND DENTAL INSURANCE

1. City Contribution

365. The City agrees to maintain health and dental benefits at present levels for the life of the Agreement.

a. Health Coverage Effective Through December 31, 2013

1) Medically Single (Employee Only)

366. From July 1, 2012 to December 31, 2013 for “medically single employees” (Employee Only) (i.e., benefited employees not receiving contributions paid by the City for dependent health care benefits), the City shall contribute all of the premium for the employees’ own health care benefit coverage.

2) Dependent Coverage (Employee Plus One; Employee Plus Two or More)

366a. From July 1, 2012 through December 31, 2013, for Dependent Coverage (Employee Plus One; Employee Plus Two More), the City shall contribute up to 75% of the dependent rate charged by the City to employees for Kaiser coverage at the dependent plus two or more level.

b. Health Coverage Effective January 1, 2014 Through December 31, 2014

1) Medically Single (Employee Only)

367. Effective January 1, 2014 through December 31, 2014, for “medically single employees” (Employee Only) enrolled in any plan other than the highest cost plan, the City shall contribute ninety percent (90%) of the “medically single employee” (Employee Only) premium for the plan in which the employee is enrolled; provided, however, that the City’s premium contribution will not fall

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below the lesser of: (a) the "average contribution" as determined by the Health Service Board pursuant to Charter Sections A8.423 and A8.428(b)(2); or (b), if the premium is less than the "average contribution," one hundred percent (100%) of the premium.

368. For the period January 1, 2014 through December 31, 2014 only, for "medically single employees" (Employee Only) who elect to enroll in the highest cost plan, the City shall contribute ninety percent (90%) of the premium for the second highest cost plan, plus fifty percent (50%) of the difference between: (a) ninety percent (90%) of the premium for the second highest cost plan, and (b) one hundred percent (100%) of the premium for the highest cost plan. ~~Thereafter, the City shall contribute ninety percent (90%) of the premium for the second highest cost plan for such employees.~~

369. ~~The provisions in paragraphs 367 and 368 above shall not apply to "medically single employees" (Employee Only) who are permanently assigned by the City to work in areas outside of the health coverage areas of Kaiser and Blue Shield for the term of this Agreement. For such "medically single employees" (Employee Only), the City shall continue to contribute one hundred percent (100%) of the premium for the employees' own health care benefit coverage.~~

2) b. ~~Dependent Coverage (Employee Plus One; Employee Plus Two or More)~~

370. Effective January 1, 2014 through December 31, 2014, the The City shall contribute up to 75% of the dependent rate charged by the City to employees for Kaiser coverage at the dependent plus two or more level.

c. Health Coverage Effective January 1, 2015

370a. Effective January 1, 2015, the contribution model for employee health insurance premiums will be based on the City's contribution of a percentage of those premiums and the employee's payment of the balance (Percentage-Based Contribution Model), as described below:

1) Employee Only:

370b. For medically single employees (Employee Only) who enroll in any health plan offered through the Health Services System, the City shall contribute ninety-three percent (93%) of the total health insurance premium, provided however, that the City's contribution shall be capped at ninety-three percent (93%) of the Employee Only premium of the second-highest-cost plan.

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2) Employee Plus One:

370c.

For employees with one dependent who elect to enroll in any health plan offered through the Health Services System, the City shall contribute ninety-three percent (93%) of the total health insurance premium, provided however, that the City's contribution shall be capped at ninety-three percent (93%) of the Employee Plus One premium of the second-highest-cost plan.

3) Employee Plus Two or More:

370d.

For employees with two or more dependents who elect to enroll in any health plan offered through the Health Services System, the City shall contribute eighty-three percent (83%) of the total health insurance premium, provided however, that the City's contribution shall be capped at eighty-three percent (83%) of the Employee Plus Two or More premium of the second-highest-cost plan.

4) Contribution Cap

370e.

In the event HSS eliminates access to the current highest cost plan for active employees, the City contribution under this agreement for the remaining two plans shall not be affected.

5) Average Contribution Amount

370f.

For purposes of this agreement, and any resulting agreements under paragraph 370h, to ensure that all employees enrolled in health insurance through the City's Health Services System (HSS) are making premium contributions under the Percentage-Based Contribution Model, and therefore have a stake in controlling the long term growth in health insurance costs, it is agreed that, to the extent the City's health insurance premium contribution under the Percentage-Based Contribution Model is less than the "average contribution," as established under Charter section A8.428(b), then, in addition to the City's contribution, payments toward the balance of the health insurance premium under the Percentage-Based Contribution Model shall be deemed to apply to the annual "average contribution." The parties intend that the City's contribution toward employee health insurance premiums will not exceed the amount established under the Percentage-Based Contribution Model.

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d. Medically Single Employees Outside of Health Coverage Areas

370g.

The provisions in paragraphs 367, 368, and 370b above shall not apply to "medically single employees" (Employee Only) who are permanently assigned by the City to work in areas outside of the health coverage areas of Kaiser and Blue Shield for the term of this Agreement. For such "medically single employees" (Employee Only), the City shall continue to contribute one hundred percent (100%) of the premium for the employees' own health care benefit coverage.

e. Agreement Not to Renegotiate Contributions in 2014

370h.

The terms described in paragraphs 370a through 370f above will be effective in calendar year 2015, and the parties agree not to seek to modify this agreement through the term of any MOU entered into prior to, or in the spring of, 2014.

f. Other Terms Negotiable

370i.

While the parties have agreed in paragraph 370h not to negotiate any changes to the Percentage-Based Contribution Model, the parties are free to make economic proposals to address any alleged impact of the health contribution levels described above or other health related issues not involving the percentage-based contribution model (e.g. wellness and transparency).

g. Other Agreements

370j.

Should the City and any recognized bargaining unit reach a voluntarily bargained agreement that results in City contributions to health insurance premiums exceeding those provided by the Percentage-Based Contribution Model, the City agrees to offer the entire alternate model to the Union as a substitute.

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FOR THE CITY

FOR THE UNION

Micki Callahan Date
Human Resources Director

Bob Muscat 9-4-13

Bob Muscat Date
Executive Director, IFPTE Local 21

Martin R. Gran Date
Employee Relations Director

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

Janet Carroll Richardson 9/23/13

Elizabeth Salveson Date
Deputy City Attorney, *fr*
Office of the City Attorney

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