

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
BOARD ACTION SUMMARY

DEPT: Chief Executive Office - Risk Management BOARD AGENDA #: *B-13

AGENDA DATE: September 26, 2017

SUBJECT:

Approval of a Tentative Health Insurance Agreement Between Stanislaus County and Ten Represented Labor Organizations for the Period of January 1, 2018 Through December 31, 2020 and Approval to Extend the Provisions of this Agreement to all Unrepresented Management and Confidential Employees

BOARD ACTION AS FOLLOWS:

No. 2017-552

On motion of Supervisor Olsen , Seconded by Supervisor Withrow
and approved by the following vote,

Ayes: Supervisors: Olsen, Withrow, Monteith, DeMartini, and Chairman Chiesa

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) Approved as recommended

2) Denied

3) Approved as amended

4) Other:


MOTION:

ATTEST: Elizabeth A. King
ELIZABETH A. KING, Clerk of the Board of Supervisors

File No.

**THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS
AGENDA ITEM**

DEPT: Chief Executive Office - Risk Management BOARD AGENDA #: *B-13
Urgent Routine AGENDA DATE: September 26, 2017

CEO CONCURRENCE:  4/5 Vote Required: Yes No

SUBJECT:
Approval of a Tentative Health Insurance Agreement Between Stanislaus County and Ten Represented Labor Organizations for the Period of January 1, 2018 Through December 31, 2020 and Approval to Extend the Provisions of this Agreement to all Unrepresented Management and Confidential Employees

STAFF RECOMMENDATIONS:

1. Approve the Tentative Health Insurance Agreement for the period January 1, 2018 through December 31, 2020 between Stanislaus County and the following Labor Organizations:

California Nurses' Association
County Attorneys' Association
Stanislaus County District Attorney Investigators' Association
Stanislaus County Deputy Probation Officers' Association
Stanislaus County Deputy Sheriffs' Association
Stanislaus County Employees' Association/AFSCME Local 10
Stanislaus County Sheriff's Supervisors Association
Stanislaus Regional Emergency Dispatchers' Association
Stanislaus County Sheriff's Management Association
Stanislaus County Probation Correction Officers' Association
2. Authorize the extension of the agreement provisions to all unrepresented management and confidential employees.
3. Authorize the Chief Executive Officer or designee to execute all agreements related to implementation and maintenance of employee health insurance programs effective January 1, 2018 through December 31, 2020.

DISCUSSION:

The current Health Insurance Agreement between the County and all employee organizations will expire on December 31, 2017. Staff has worked with representatives from all County labor groups through the required meet and confer process to develop a new Health Insurance Tentative Agreement for employee benefits. The negotiation process included seven negotiation sessions with all bargaining units except Service Employees International Union (SEIU) and proposals were exchanged between the County and labor organizations during these sessions. The parties reached a final Health Insurance Tentative Agreement on August 31, 2017 with nine labor organizations, and with the Stanislaus County District Attorney Investigators' Association on September 14, 2017, which was supported and signed by ten

Approval of a Tentative Health Insurance Agreement Between Stanislaus County and Ten Represented Labor Organizations for the Period of January 1, 2018 Through December 31, 2020 and Approval to Extend the Provisions of this Agreement to all Unrepresented Management and Confidential Employees

County labor organizations. The Stanislaus Sworn Deputies Association (SSDA) indicated their non-participation in signing the Tentative Agreement and the parties met one additional time. SEIU participated in three separate negotiations sessions. The County is still working through the negotiation process with SSDA and SEIU.

The ten County labor organizations who signed the Tentative Agreement have now ratified it. The term of the agreement is from January 1, 2018 to December 31, 2020. This agenda item is being submitted to the Board to approve the Health Insurance Tentative Agreement for the labor groups who have signed and ratified the Tentative Agreement and to extend the provisions of the new agreement to unrepresented management and confidential employees.

On January 1, 2012, the County transitioned its medical benefits program from a fully-insured program to a partially self-insured program and implemented a new non-profit health plan (Stanislaus County Partners in Health) as part of a new strategy for providing medical insurance benefits to all enrolled participants on County-sponsored health plans. Consistent with the recommendations and conclusions initially developed for the partially self-insured health insurance program effective January 1, 2015, the County continues to maintain a self-insured medical funding strategy, which includes using the Stanislaus County Partners in Health (SCPH) and Anthem Blue Cross insurance programs.

Plan year 2017 marks the third year of a three-year health insurance agreement that continues to focus on improving the financial health of the program based on participant plan changes that became effective in 2015. Prior to the start of negotiations, the County's benefits consultants completed a Request for Information (RFI) to solicit information from health care organizations doing business in Stanislaus County to consider future strategies for supporting access to high-quality and cost-effective health care. County staff and benefits consultants met with each local health care provider system to seek their engagement in the process, encouraging creativity and innovation. Based on the RFI proposals and findings, current administrative considerations, quality of care metrics and actuarial cost projections, Doctors Medical Center/Tenet's proposal remained the best value proposition for the County's plan and provided the least member disruption in services.

When SCPH was developed by the County for the benefit of employees covered under the County's health insurance program, it was presumed that, at some point, other employers may want to access the SCPH network for their employee health insurance programs. As the network has been in place for nearly six years, other employers have begun to express interest in SCPH and it is likely that some of these employers will use SCPH in the very near future. To create an identity that is less Stanislaus County-specific, SCPH will be changing its name to Health Partners of Northern California, effective January 1, 2018. This is a change in name only and there will be no impact in benefits, the network composition, the legal structure or management of the network, or anything related to the administration of the County's benefit plan.

Additionally, POMCO, the County's third party administrator (TPA) of the benefit plan was recently acquired by United Healthcare (UHC). Effective January 1, 2018, the County will transition to the UHC platform as its TPA. As a result of this acquisition, the County will also

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UHC's network has greater than 95% overlap with providers in California. This change will apply to approximately 7% of plan participants who are enrolled outside of the local service area.

The County will continue to administer the open enrollment process internally. The dates for open enrollment are October 9 to October 20, 2017. Employee Benefits staff is coordinating four on-site Wellness Connect events similar to last year at various County locations. Staff will be available to communicate directly with employees and retirees about their health care benefits. County benefits consultants and vendors from each of the health care programs will be present at each of the events to provide information and answer questions. Additionally, similar to last year, the County will offer health screenings, flu shots, and lots of other fun activities. The County is still working with representatives from SSSA and SEIU to evaluate open enrollment options for those employees who have not signed or ratified the Tentative Agreement.

The following summarizes the final version of the Tentative Agreement and insurance plan selections subject to approval of the Board of Supervisors:

Medical Insurance Plans

- Participation in medical plans will be based on the employee's residence.
- All employees who live in the Health Partners of Northern California (HPNC) local service area will be enrolled in HPNC.
- All employees who live outside of the HPNC local service area will be enrolled in United Healthcare (UHC).
- Former Kaiser and Anthem members who are current participants of the Medical Premium Reimbursement program will be allowed to continue this program for the term of this agreement and then the program will sunset and no longer be offered.
- The County will be adding Applied Behavioral Analysis (ABA) treatment for Autism as a covered expense.

Health Insurance Costs

- There are no changes in the premium cost share agreement. The County will continue to pay 95% of the premiums for High Deductible Health Plans (HDHP) and 80% of the premiums for Exclusive Provider Organization (EPO) plan options. The County will also continue to pay 80% of the premiums for dental and vision programs. Waive credits for employees choosing to waive insurance benefits will remain unchanged.
- There are no changes in the contributions the County makes to Health Savings Accounts (HSA). The County will continue to fund HSA accounts with deposits of \$1,250 annually for Employee-Only and \$2,100 for Employee +1 and Family accounts.
- Health insurance premiums will continue to be blended for HPNC and UHC, resulting in the County charging the same rates for both HPNC and UHC plans.

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- Should the IRS inflation adjusted limits increase the minimum annual deductible for high deductible health plans, the County will apply appropriate changes to its plans with no additional County contribution to the HSA.

Upgraded Dental Plan Option

- The “buy-up” dental plan will continue to be offered, but should enrollment drop below 10% participation of benefit eligible employees, it will be eliminated and no longer offered.

Dependent Audit

- The new agreement also includes a new provision related to a Dependent Audit. In order to verify that only eligible individuals are covered under the County’s health plans, the County will be conducting an audit of all persons enrolled as dependents under the employee’s plan. It is prudent, appropriate and advisable for the County, in fulfilling its fiduciary responsibility, to ensure all dependents enrolled in the County’s plan meet the definition of “dependent” and periodically confirm eligibility. The County, at its own expense will utilize broadly accepted industry-standard processes to determine if covered dependents meet the requirements as outlined in the County’s Summary Plan Description.

Attached is the final recommended agreement tentatively agreed to between the County and ten represented employee organizations.

POLICY ISSUE:

The Board of Supervisors must approve all labor agreements including health insurance benefits and should consider the effect of this labor agreement on the fiscal and policy direction and priorities of the organization.

FISCAL IMPACT:

The new agreement continues the County’s medical insurance plan configuration based on subscriber residency. To take advantage of local discounts and minimize out-of-area costs, employees living within the local service area will be enrolled in Health Partners of Northern California (HPNC) while employees living outside the local service area will be enrolled in United Healthcare (UHC). The County will continue to charge the same insurance rates for subscribers regardless of their residence status and corresponding health plan enrollment. This means that subscribers living outside of the HPNC local service area who enroll in UHC will have the same rates as subscribers who live locally and are enrolled in HPNC. This plan design offers the most efficient configuration of health plan options by increasing locally negotiated discounts through HPNC while leveraging maximum discounts outside of the local area through UHC.

The County’s health insurance program is funded by County departments, employees, retirees, and COBRA participants. Costs for County departments are driven by employee selections and are funded at 95% of the premiums for High Deductible Health Plans (HDHP) and 80% of the premiums for Exclusive Provider Organization (EPO) plan options. Employees’ costs are driven by their individual selections during open enrollment, with the

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employee paying more out-of-pocket for any costs above the County's contribution. The benefit plan design limits plan options to all participants while standardizing the cost of insurance for all employees. The following table summarizes the estimated cost impact of the negotiated agreement for all plan participants assuming no changes in the total enrollment population between 2017 and 2018:

	2017 Current Annual Cost			
	Medical	Dental	Vision	Total
County	\$50,969,000	\$2,996,000	\$595,500	\$54,560,500
Employee	\$5,237,000	\$1,414,000	\$149,000	\$6,800,000
Retirees	\$1,999,500	\$0	\$0	\$1,999,500
COBRA	\$487,000	\$52,000	\$9,000	\$548,000
TOTAL	\$58,692,500	\$4,462,000	\$753,500	\$63,908,000

	2018 Current Annual Cost			
	Medical	Dental	Vision	Total
County	\$53,405,000	\$2,918,000	\$574,000	\$56,897,000
Employee	\$5,510,000	\$1,268,000	\$115,000	\$6,893,000
Retirees	\$2,103,000	\$0	\$0	\$2,103,000
COBRA	\$512,000	\$50,000	\$8,500	\$570,500
TOTAL	\$61,530,000	\$4,236,000	\$697,500	\$66,463,500

	Total Increase/(Decrease)			
	Medical	Dental	Vision	Total
County	\$2,436,000	(\$78,000)	(\$21,500)	\$2,336,500
Employee	\$273,000	(\$146,000)	(\$34,000)	\$93,000
Retirees	\$103,500	\$0	\$0	\$103,500
COBRA	\$25,000	(\$2,000)	(\$500)	\$22,500
TOTAL	\$2,837,500	(\$226,000)	(\$56,000)	\$2,555,500

The total increase to County departments represents approximately 4% in overall health insurance costs. Approximately 33% of the County's insurance program costs are funded by General Fund departments.

The County is self-insured for medical, dental and vision insurance benefits, and establishes insurance rates each year based on actuarial and underwriting recommendations. A separate agenda item will be forwarded to the Board of Supervisors to consider recommended insurance rates for the 2018 plan year. The plan design changes included in the Health Insurance Tentative Agreement will support the County's effort to maintain minimal increases in medical insurance rates. The recommended insurance rates will also include a reduction in dental and vision rates in 2018.

The final fiscal analysis for 2018 is dependent upon individual employee benefit selections. The total cost of the new agreement will be determined upon the conclusion of the County's

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open enrollment, and adjustments to department budgets will be requested if necessary in the Fiscal Year 2017-2018 Mid-Year Financial Report.

BOARD OF SUPERVISORS' PRIORITY:

Approval of the Tentative Health Insurance Agreement between Stanislaus County and all employee labor organizations supports the Board's priorities of A Healthy Community, Efficient Delivery of Public Services and Effective Partnerships by providing high-quality and cost-effective health care benefits to the County workforce.

STAFFING IMPACT:

Existing Employee Benefits staff will continue to implement and administer the County's health insurance plans.

CONTACT PERSON:

Patrice Dietrich, Assistant Executive Officer. (209) 525-6333

ATTACHMENT(S):

A. Stanislaus County Health Insurance Tentative Agreement

ATTACHMENT A

Stanislaus County Health Insurance Tentative Agreement

**STANISLAUS COUNTY
HEALTH INSURANCE AGREEMENT**

August 31, 2017
September 14, 2017



Stanislaus County Chief Executive Office



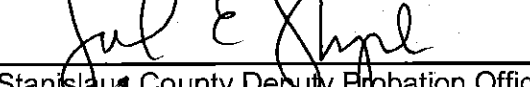
California Nurses Association



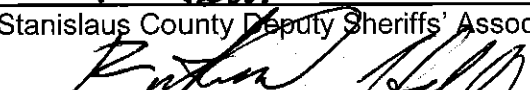
County Attorneys' Association



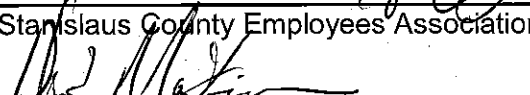
District Attorney Investigators Association



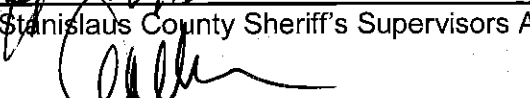
Stanislaus County Deputy Probation Officers Association



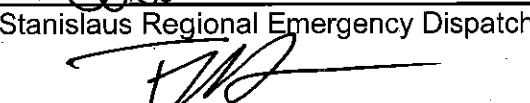
Stanislaus County Deputy Sheriffs' Association



Stanislaus County Employees Association/AFSCME Local 10



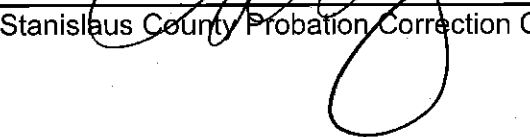
Stanislaus County Sheriff's Supervisors Association



Stanislaus Regional Emergency Dispatchers' Association



Stanislaus County Sheriff's Management Association



Stanislaus County Probation Correction Officers Association

TENTATIVE AGREEMENT

August 24, 2017

**Health Insurance Agreement Between Stanislaus County and the
California Nurses' Association
County Attorneys' Association
District Attorney Investigators' Association
Stanislaus County Deputy Probation Officers' Association
Service Employees' International Union Local 521
Stanislaus County Deputy Sheriffs' Association
Stanislaus County Employees Association/AFSCME Local 10
Stanislaus County Sheriff Supervisors' Association
Stanislaus Regional Emergency Dispatchers' Association
Stanislaus County Sheriffs' Management Association
Stanislaus County Probation Correction Officers' Association
Stanislaus Sworn Deputy's Association**

1. Term of the Agreement

This agreement shall remain in full force and effect for the period of January 1, 2018 through December 31, 2020, unless extended by mutual agreement of the parties.

2. Medical Insurance

For the term of this agreement, the County will offer the following four medical plan options based on employee residency at the time of open enrollment:

Within Stanislaus County Partners-in-Health Local Service Area

- Stanislaus County Partners-in-Health EPO
- Stanislaus County Partners-in-Health HDHP

Outside Stanislaus County Partners-in-Health Local Service Area

- United Healthcare (UHC) EPO
- United Healthcare (UHC) HDHP

For employees enrolled in an EPO plan, the County shall contribute an amount equal to 80% of the EPO plan premium at each level of coverage.

For employees enrolled in a High Deductible Health Plan, the County shall contribute an amount equal to 95% of the HDHP plan premium at each level of coverage.

The County will also fund individual Health Savings Accounts (HSA) in the following amounts:

- Employee only - \$1,250 annually
- Employee +1 - \$2,100 annually

Family - \$2,100 annually

HSA contributions will be made as a lump sum equivalent to six months of the annual contribution processed on the first payroll cycle paid in January of each year, and then semi-monthly beginning in July. For the period of January through June, the County will make no additional HSA contributions to employees' accounts after the initial lump-sum contribution unless there is a change in family status. The last six months of HSA contributions will begin in July, and will be included in employees' biweekly benefit-eligible paychecks. Employees are responsible for paying any account related fees on their individual Health Savings Account (up to \$2.75 monthly as of September 2017).

The County will only provide one County-provided HSA contribution to two employees who are married together. Therefore, if two employees who are married together want separate medical plans, one employee must choose an EPO plan and the other employee must choose a HDHP plan.

Participants enrolled in HDHP plan options are subject to deductible payments and co-pays, which may be reimbursable through HSAs subject to available balances. Please refer to the specific plan documents to confirm deductibles and co-payments for each plan option.

The parties recognize that health insurance providers may institute benefit changes that are not within the control of the County.

3. Medical Premium Rates

The County will continue to establish medical insurance premium rates each year based on actuarial and underwriting recommendations. The County reserves the right to adjust medical insurance premium rates based on these recommendations. Medical insurance rates for the 2018 plan year will not exceed those rates provided to bargaining units during the meet and confer process on August 24, 2017.

4. Medical Plan Design Changes

The medical benefit plan design and co-pays will remain unchanged during the term of this agreement with the exception of the addition of Applied Behavioral Analysis (ABA) treatment for Autism as a covered expense and those changes which may be required by law during the term of this agreement.

The annual out-of-pocket maximums for SCPH and UHC (Individual/Family) HDHP plans are as follows:

In-Network SCPH and UHC
\$3,000 / \$6,000

Out-of-Network UHC
\$5,000 / \$10,000

The annual out-of-pocket maximums for SCPH and UHC (Individual/Family) EPO plans are as follows:

SCPH and UHC
\$1,500 / \$3,000

Should the IRS inflation adjusted limits increase the minimum annual deductible for high deductible health plans, the County will apply the appropriate changes to our plans with no additional County contribution to the HSA. County HSA contributions are fixed during the term of this agreement irrespective of potential regulatory changes to the deductible.

5. Medical Premium Reimbursement

The County has agreed to continue the medical premium reimbursement (MPR) program for the term of this agreement. Effective December 31, 2020, this provision will end and the County will no longer offer the MPR program. Only employees currently participating in the MPR program as of October 1, 2017 are eligible to continue participating in the MPR program.

In order to receive the medical premium reimbursement, the eligible employee must waive coverage with the County and enroll in a non-County qualified medical insurance program, individual or group coverage, meeting minimum standards under the Patient Protection and Affordable Care Act (ACA). Employees receiving a medical premium reimbursement are not eligible to receive a medical waive credit.

The County's medical premium reimbursement rate will not exceed 80% of the eligible employee's out-of-pocket medical insurance premium cost for the non-County medical plan, or 75% of the County's monthly medical premium contribution for County EPO plans, whichever amount is lower.

In order to receive reimbursement, the employee must provide proof of other coverage and proof of cost to the employee as described in the established guidelines and Quarterly Reconciliation Form. In no event, shall the medical premium reimbursement impact the compensation eligible for employee pensions or employer-paid deferred compensation.

Employees may only return to the County medical insurance program during annual open enrollment periods, or anytime the employee experiences a qualifying event in accordance with County benefit policies. If an employee who is receiving a medical premium reimbursement elects to return to the County's medical insurance program, they will no longer be eligible to receive the medical premium reimbursement should they choose to opt out of the County's medical insurance program in the future.

Employees who enroll in a non-County qualified medical insurance program are not eligible to receive any County provided HSA contributions.

6. Medical Waive Credit

The County agrees to continue offering a standard medical waive credit to any employee who waives medical insurance through the County. Employees receiving a medical waive credit are not eligible to receive a medical premium reimbursement.

In order to receive the standard medical waive credit, the employee must enroll in a non-County qualified medical insurance program, individual or group coverage, meeting minimum standards under the ACA. Employees must complete a County enrollment form waiving County coverage and attach proof of other coverage.

The standard medical waive credit will be paid on a post-tax, semi-monthly basis. The amount of the standard medical waive credit is \$47.50 monthly for non-management employees and \$150.00 monthly for management and confidential employees.

Employees may only return to the County medical insurance program during annual open enrollment periods, or anytime the employee experiences a qualifying event (involuntary loss of outside coverage).

Employees who enroll in a non-County qualified medical insurance program are not eligible to receive any County provided HSA contributions.

7. Dental Insurance

The County will continue to provide employees with two dental plan options through the Delta Dental program. The County will continue to pay 80% of the premium cost for the Core dental plan at each level of dental coverage (Employee only, Employee +1 and Family).

Employees may elect a "Buy-Up" dental plan option, which includes a \$500 per member increase to the plan calendar year maximum and a child(ren) orthodontics benefit that pays 50% of orthodontia care up to a lifetime maximum of \$2,000 per child. Additionally, the "Buy-Up" dental plan option includes access to the Premier network with claims being paid at the Premier contracted fee without balance billing. Employees who elect the "Buy-Up" dental plan option must remain on the "Buy-Up" dental plan for three (3) years. Any amount of the "Buy-Up" dental premium rate that exceeds the "Core" dental plan premium rate will be paid solely by the employee.

Should enrollment in the "Buy-Up" plan drop below 10% participation of benefit eligible employees, it will be eliminated and no longer offered. Enrollment will be reviewed and evaluated each year prior to Open Enrollment, using enrollment effective on July 1 of each year to determine if the plan will be offered during Open Enrollment for coverage effective January 1 in the following year.

The County will continue to establish dental insurance premium rates each year based on actuarial and underwriting recommendations. The County reserves the right to adjust dental insurance premium rates based on these recommendations.

8. Vision Insurance

The County will continue to provide vision coverage through the VSP Choice Plan to include a \$10 co-payment for exam and materials, frame allowance of \$150 (\$80 at Costco), wholesale full-cost frame allowance of \$57, contact lens allowance of \$150, and allow members to receive a frame allowance 12 months after utilizing their contact lens benefit. The County shall pay 80% of the premium cost at each level of vision coverage (Employee only, Employee +1 and Family).

The County will continue to establish vision insurance premium rates each year based on underwriting recommendations. The County reserves the right to adjust vision insurance premium rates based on these recommendations.

9. Impacts of Healthcare Reform - Reopener

The parties recognize the implementation of additional healthcare reform regulations may present financial and operational consequences to the County. The parties agree that the County may request to meet and confer with all labor groups in advance of the 2020 plan year to address impacts of healthcare reform. The County agrees to pre-load individual Health Savings Accounts and will not propose changes to the current premium cost sharing percentages during the three year term of the agreement.

10. Additional Provisions

- a. Benefit deductions are taken out of 24 of the 26 paychecks each year (twice monthly). Benefits for new hires are effective the 1st of the month following date of hire. For terminated employees, benefits continue through the last day of the month of termination.
- b. The County will invite a representative of each labor group to participate in the County's Employee Wellness Program Workgroup to discuss implementing a comprehensive wellness program for County employees. Participation is voluntary and subject to department head or designee approval for any changes in standard working hours and will not result in overtime compensation.
- c. An Employee Benefits Committee consisting of one employee and/or the designated labor representative per bargaining unit will meet in February, May, and September to discuss the financial and operational performance of the self-insured health plans. The County's Employee Benefits Department will be responsible for coordinating these meetings. The County maintains all plan fiduciary responsibilities, including setting annual rate adjustments based on actuarial review and analysis.
- d. Regular full-time employees must work 30 hours per week to qualify for a County benefit contribution (medical, dental, vision, medical premium reimbursement, and/or waive credit). Employees working an approved percentage schedule of 30-34 hours per week will be credited with 75% of benefit contributions. Employees working an approved percentage schedule of 35-39 hours per week will be credited with 90% of benefit contributions. Additional employee contributions to health insurance premiums will be paid through payroll deduction.
 - For purposes of this policy, hours worked includes all forms of paid time rounded to the nearest whole number. Examples of paid time include, but are not limited to vacation, sick, comp time off, public safety leave (4850 leave), paid admin leave, etc.
 - This provision does not apply to part-time extra-help employees who are not eligible for benefits.
 - For regular full-time employees who change their employment status to percentage employment, this provision will be effective the first of the month following the date they assume the reduced percentage employment schedule. Benefits will return to 100% the first of the month following the effective date the employee returns to 100% regular employment status.

- e. For regular full-time employees not on an approved percentage schedule who are paid less than an average of 40 hours per week (employees going into unapproved, unpaid, unprotected time off, DOC time, etc.), employee contributions will be adjusted if the employee does not average 40 hours per week of paid time in the quarter. This process will be modified for regular full-time employees working an alternative work schedule that does not provide 80-hours of regular compensation per pay period (such as the "6/3" work schedule). Unpaid suspension time as a result of employee disciplinary actions will not count against an employee in determining health insurance eligibility.
- Employee benefit eligibility will be evaluated on a quarterly basis, based on paychecks paid in the quarter.
 - Analysis of hours paid in the quarter will occur during the first month of the following quarter. If the employee's hours fall below 40 hours per week in the quarter being reviewed, the employee's contributions will be adjusted based on the employee's quarterly average. The effective date of the adjustment will be the first pay period of the second month of the following quarter.
 - For purposes of this provision, employees averaging 36-40 hours per week will see no change in County benefit contribution. Employees averaging 31 to 35 hours per week will be credited with 90% of County benefit contributions. Employees averaging 30 hours per week will be credited with 75% of County benefit contributions. Employees averaging less than 30 hours per week will not be eligible for a County benefit contribution. Additional employee contributions to health insurance premiums will be paid through payroll deduction.
 - County benefit contributions will be restored to 100% effective the first pay period of the second month of the following quarter in which the employee is paid an average of 40 hours per week in the quarter.
- f. For employees on a paid leave of absence, the County will continue the current process for coordinating leave accruals with State Disability benefits. This process allows an employee to combine their State Disability benefits with their leave accruals to equal 40 hours of compensation per week while maintaining their full health insurance benefits. For employees participating in disability plans other than State Disability, the County will continue to provide the same level of coordinated benefits consistent with the benefits available through State Disability.
- g. Under current policy, employees on an unpaid, unprotected leave of absence do not receive health insurance contributions effective the first of the month following the start of their unpaid leave status. Employees returning from an unpaid leave will have their health insurance contributions restored effective the first of the month following their return to full-time paid status. Please see applicable County policies regarding unpaid leave status, exceptions for FMLA eligible employees and the availability of COBRA benefits.
- h. For benefit information related to Voluntary Time Off, Job Sharing and benefit provisions for Certain Part-Time Nurses, please refer to the individual County policies and CNA labor agreement.

- i. Nothing in this agreement shall enhance or reduce existing policy provisions related to military leave benefits.

11. Dependent Audit

In order to verify that only eligible individuals are covered under the County's medical, dental and vision plans, the County will be conducting an audit of all persons enrolled as dependents under the employee's plan.

The County, at its own expense, will utilize broadly accepted, industry-standard processes to determine if covered dependents meet the requirements as outlined in the County's Summary Plan Description. These processes may include, but are not limited to:

- Collection of legal documents (e.g. birth certificates, marriage certificates, legally binding adoption agreements, etc.)
- Obtaining dependent eligibility information from Medicare or health insurance companies
- Completion of sworn affidavit by County employee and/or dependents
- The purpose of this audit is to determine if only eligible dependents are enrolled

12. Ineligible Dependents

If ineligible dependents are enrolled as a result of negligent behavior by the County employee, all claims and/or premiums for the ineligible dependent will become the responsibility of the County employee.

Willful misrepresentation of dependent status may result in disciplinary action up to and including termination.

13. Full Understanding

It is understood by the parties that these provisions fully set forth the agreement of the parties in matters of health insurance as herein specified. Other than the provisions contained herein, the parties agree that only through mutual agreement of all the parties to this agreement would discussion occur during the term of this agreement on health insurance matters.