

2024 CITY OF SAN JOSE – OE#3 NEGOTIATIONS

CITY PROPOSAL TO OE#3 – HOUSEKEEPING – CITY HEALTHCARE PROGRAM

The changes below are to incorporate the terms of the Side Letter Agreement dated July 11, 2018, and signed by OE#3 on July 11, 2018, related to the City Healthcare Program.

City Proposed Language:

5.5 Health Insurance

5.5.1 All available plans have a 4-tier rate structure (Employee, Employee plus spouse/domestic partner, Employee plus Child(ren) and Family).

5.5.2 Medical Insurance Provider with the Second Highest Overall Employee Enrollment. The City pays ~~ninety eighty-five~~ percent (~~90~~⁸⁵%) of the cost of the lowest priced Non-Deductible HMO Co-Pay Pplan of the medical insurance provider with the second highest overall enrollment for the employee or the employee and dependent coverage, and the employee pays ~~ten fifteen~~ percent (~~10~~¹⁵%) of the full premium for the lowest priced Non-Deductible HMO plan. If the employee selects a plan other than the lowest priced Non-Deductible Co-Pay Plan HMO plan, of the medical insurance provider with the second highest overall employee enrollment, ~~employee pays the difference between the total cost of the selected plan and the City's contribution toward the lowest priced Non-Deductible HMO plan.~~

~~The Kaiser Permanente Deductible 1500 HMO Benefit Plan will be available to employees represented by OE#3 in addition to the existing plan options.~~

5.5.3 Medical Insurance Provider with the Highest Overall Employee Enrollment. The City will pay ~~eighty-five~~ percent (~~85~~%) of the full premium cost of the lowest priced Non-Deductible HMO Co-Pay Plan of the medical insurance provider with the highest overall employee enrollment for the employee or the employee and dependent coverage, ~~an~~ the employee pays ~~fifteen~~ percent (~~15~~%) of the full premium cost of the lowest priced Non-Deductible Co-Pay Plan of the medical insurance provider with the highest overall employee enrollment. ~~A \$25 Co-pay plan shall be implemented for all HMO plans, including the following:~~

- ~~a. Office Visit Co-pay shall be \$25~~
- ~~b. Prescription Co-pay shall be \$10 for generic and \$25–\$30 for brand name~~
- ~~c. Emergency Room Co-pay shall be \$100~~
- ~~d. Inpatient/Outpatient procedure Co-pay shall be \$100~~

5.5.4 If the employee selects a plan other than the lowest priced Non-Deductible HMO Co-Pay Plan, the employee pays the difference between the total cost of the selected plan and the City's contribution toward the lowest priced Non-Deductible HMO Co-Pay Plan. ~~The Benefits Review Forum representatives may evaluate and recommend appropriate changes in the Health Insurance, Dental, and Orthodontic coverage, subject to approval by the City and ratification by the Union.~~

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5.5.5 An employee may not be simultaneously covered by City-provided medical benefits as a City employee and as a dependent of another City employee or retiree.

5.5.6 Default Healthcare Plan New full-time employees and current employees not previously eligible to receive benefits who are hired into a full-time benefits eligible position and who do not sign up for a healthcare plan within thirty (30) calendar days from their hire date, will be automatically enrolled in the lowest cost HMO Deductible plan offered by the medical insurance provider with the second highest overall employee enrollment at the time the employee is automatically enrolled.

5.6 Dental Insurance. The City will provide dental coverage for eligible full time employees and their dependents in accordance with one of the two available plans. All available plans have a 4-tier rate structure (Employee, Employee plus spouse/domestic partner, Employee plus Child(ren) and Family).

The City will provide dental coverage in the lowest priced plan for eligible full time employees and their dependents. If an employee selects a plan other than the lowest priced plan, the City will pay 95% of the full premium cost for the selected dental coverage for eligible full time employees and their dependents and the employee shall pay 5% of the full premium cost for the selected plan. ~~As of the date of this Agreement the plans include an indemnity plan and a DHMO plan. These plans are described in the City of San Jose Employee Benefits Handbook and in pamphlets available in the Human Resources Department.~~

5.6.1 Each eligible, full-time employee and dependents shall receive a lifetime maximum of \$2,000 Orthodontia coverage in the Delta Dental Plan.

5.6.2 Each active, eligible, full-time employee and eligible dependents that are enrolled in the Delta Dental Plan shall receive annual maximum coverage of \$1500.00.

5.6.3 An employee may not be simultaneously covered by City-provided dental benefits as a City employee and as a dependent of another City employee or retiree.