

## **ARTICLE 13**

### **Benefits**

#### Health Care Plan

##### 13.1 Health Care Plan Options

- a. Effective January 1, 2008 the current UA Choice Plan shall be the health plan available to eligible Bargaining Unit Members. The UA Choice Plan is a defined contribution plan with multiple coverage options, prospective employee charges, and a plan year based on a fiscal year.
- b. Local 6070 will present to the health care committee a recommendation for plan design changes that would create a health care plan option available at no cost to employees. The goal will be to institute such a plan in fiscal year 2010.
- c. Benefit plan designs and options may be altered by the University, following review and consideration of recommendations from the Labor-Management Committee on health care.
- d. Option charges shall be the same for all University employees selecting a coverage option.
- e. The Wellness Program implemented in FY2006 for UA Choice participants will continue to be counted in the net cost of health care. The Wellness Program will include a rebate of \$100 for each covered employee, spouse or financially interdependent partner who completes the annual health risk assessment. Additionally, in each year of the contract, up to \$300,000 will be available for other incentives for covered employees who participate in identified wellness activities and programs. The health care committee will identify the eligibility criteria and levels for the distribution of incentives, which shall not exceed \$500 per employee annually.

##### 13.2 University Defined Contribution

Effective January 1, 2008, the University shall contribute \$1023.75 per employee per month toward health care. There shall be no University contribution for employees who choose to opt-out of the University health care plan.

Effective July 1, 2008 the University defined contribution shall equal 85% of the net cost of health benefits for all covered employees, but not less than \$1023.75. Beginning July 1, 2009, the University defined contribution shall equal 83% of the net cost of health benefits for all covered employees, but not less than \$1023.75. Beginning July 1, 2010,

the University defined contribution shall equal 83% of the net cost of health benefits for all covered employees, but not less than \$1023.75.

### 13.3 Bargaining Unit Member Health Care Contribution

#### a. Prospective Charges

The University in good faith will annually establish an employee charge for each coverage option offered under the UA Choice Plan. Option charges shall be the same for all University employees selecting a coverage option. In establishing the charges the University shall consider prior year under and over collections related to the UA Choice Plan, consult with its benefits consultant and claims administrator, and will meet and confer with the joint health care committee. Option charges will be collected on a fiscal year basis and not subject to negotiations.

#### b. Over recoveries will be allocated to employee contributions at the University's discretion, after meeting and conferring with joint health care committee.

### 13.4 Labor-Management Committee on Health Care

Local 6070 and the University will participate in a Labor-Management Committee, known as the Joint Health Care Committee, on health care with the other collective bargaining groups (unions) affiliated with the University. The committee will be comprised of two (2) representatives selected by each union and four (4) representatives selected by the University. A quorum for meetings shall require no fewer than seven (7) committee members. The University Benefits Director may be an *ex officio* member of the committee. The committee shall identify its operating process, reduce them to writing and select the chair person(s).

The committee will, to the extent possible reach consensus on recommended actions. In the event consensus is not possible, the committee shall conduct a formal vote on any official recommendations regarding changes in health benefits, with 75% majority needed to pass any recommendation.

The committee shall prepare and forward written recommendations to the University Chief Human Resources Officer and each Union President. The committee is advisory in nature; the University will normally accept committee recommendations. The University is not obligated to accept the recommendations.

Normally, the University will accept committee recommendations that are consistent with parameters described above and will proceed accordingly to implement the recommended changes. However, in exceptional circumstances, the Chief Human Resources Officer (CHRO) may determine that the best interests of the University and the health care plan would not be served in accepting the recommendation. In those cases where the CHRO

does not accept the committee's recommendation, the CHRO shall set forth in writing the reasons for such determination. The decision of the CHRO shall be rendered in writing within twenty (20) days of the receipt of the committee's recommendations. The CHRO's decision is final and binding and not subject to further review. Copies of the committee's recommendations and the CHRO's decision shall be posted on the Statewide HR Website.

The committee's purpose is to review health benefits and to investigate study and design possible solutions to rising health care costs and other mutual problems. This committee shall meet monthly. Topics may include, but are not limited to wellness programs plan design, eligibility, cost containment, number and quality of benefits provided, deductibles, application of prior years' under/over collections, preferred provider programs, utilization, promotion and user education. Minutes shall be taken of committee sessions and posted on the Statewide HR website and/or other websites.

Members of the committee will be trained on health care topics including committee processes, health benefit reporting and accounting, HIPAA compliance and other topics relevant to the role of the committee.

The parties will meet and confer in good faith regarding health, pharmacy and wellness data that would be useful to the committee, as well as the timing and frequency of University provided reports. The University will facilitate information exchange between the plan's health care vendors and joint health care committee to ensure timely receipt of information for committee use.

All expenses of serving on the committee and participating in committee activities shall be the responsibility of each party participating on the committee. Time spent by Bargaining Unit Members in committee meetings will be considered work time. If meetings begin or end outside of work time, that time will not be compensated. A good faith effort will be made to schedule these meetings on work time. Local 6070 Bargaining Unit Members serving on the committee shall be allowed up to twenty (20) paid work hours a quarter, to work on committee assignments. Time spent, after the twenty (20) paid work hours per quarter; by Bargaining Unit Members prior to or after LMC meetings shall not be considered work time. Local 6070 will provide staff support for the committee.

### 13.5 Life Insurance

Eligible Bargaining Unit Members are provided this coverage on the same basis as provided under the University Plan in effect as of January 1, 2007.

### 13.6 Long Term Disability

Eligible Bargaining Unit Members are provided this coverage on the same basis as provided under the University Plan in effect as of January 1, 2007.

### 13.7 Reimbursement Accounts (RAs)

Eligible Bargaining Unit Members are provided access to Reimbursement Accounts on the same basis as provided under the University Plan in effect as of January 1, 2007.

### 13.8 Tax Sheltered Annuities [403(b)] (TSAs)

Eligible Bargaining Unit Members are provided access to TSAs on the same basis as provided under the University Plan in effect as of January 1, 2007.

### 13.9 University Pension Plan

Eligible Bargaining Unit Members are provided this benefit on the same basis as provided under the University Plan in effect as of January 1, 2007

### 13.10 Public Employees Retirement System

Eligible Bargaining Unit Members are eligible for this benefit as determined by state law.

### 13.11 Parking

A Bargaining Unit Member is provided on the same basis as provided in effect as of January 1, 2007.

### 13.12 Tool Allowance

Bargaining Unit Members who are specifically required, in writing, by the University to furnish their own tools will be paid a tool allowance of \$20.00 per pay period effective with the first full pay period after July 1, 2008.

### 13.13 Accidental Death and Dismemberment Coverage

Eligible Bargaining Unit Members are provided access to Accidental Death and Dismemberment coverage on the same basis as provided under the University Plan in effect as of January 1, 2007.

### 13.14 Legal Trust

- a. Effective the first payroll after July 1, 1998, in addition to the wages paid per this Agreement, the University agrees to pay the Alaska Public Employees Association/AFT Legal Trust Fund (hereinafter the Fund) \$4.62 per pay period per Bargaining Unit Member in pay status in the pay period for which the contribution is made.
- b. The University shall remit the amount due for the previous month to the Fund within fifteen (15) days after the pay date.

- c. The Fund shall be sponsored and administered by APEA/AFT and the University shall have no voice in the amount or type of service provided by this plan, however, services provided by the Fund shall not be used in actions involving or in a position adverse to the University of Alaska. The Fund shall attempt to obtain the maximum service possible for the employees.
- d. This Article confers only the right to demand and enforce payment of the required contributions. Failure by the University to remit the required contribution does not give rise to any grievance or cause of action by the Association, its members or any other person for other harm or damages which might result from the failure of the University to remit the required contribution. The provision or retention of legal assistance under this Article is the sole and exclusive responsibility of the Association and/or the member. Unless such actions are taken to demand and enforce payment by the University of the Required Contributions, the Association agrees to defend, indemnify and hold harmless the University against any and all legal actions, orders, judgments or other decisions rendered in any proceeding as a result of the implementation of this Article.

#### 13.15 Tuition Waiver Benefit

Employee Education Benefits shall be provided in accordance with Regent's Policy and University Regulation in effect on January 1, 2007.

Bargaining Unit Members shall receive all other education benefits offered to any other employees of the University during the life of this Agreement.