

**TENTATIVE AGREEMENT
BETWEEN THE IMPERIAL IRRIGATION DISTRICT
AND
IBEW Local 465**

**ARTICLE 10
HEALTH BENEFITS REOPENER**

November 30, 2010

A. Effective January 1, 2011 the following changes to the Health and Welfare Benefits programs shall be implemented due to the Health Care Reform Act of 2010:

1. Elimination of the pre-existing conditions for children under age 19.
2. Increase eligibility for dependents to age 26 regardless of student and marital status. This does not extend to spouses or children of such dependents, and it is only specific to medical coverage and does not apply to dental or vision.
3. Elimination of lifetime limits on the dollar amount of essential health benefits.
4. Elimination of some annual limits on essential health benefits.
5. The cost of over the counter drugs will no longer be reimbursable under Flexible Spending Accounts (FSA's) unless they are prescribed by a doctor or the drug is insulin.
6. The Federal Mental Health Parity Act requires employers to offer the same level of coverage for mental health and substance use benefits as is offered for medical and surgical services.

B. Effective January 1, 2011 the following changes to the Health and Welfare Benefits programs shall be implemented:

1. Employee bi-weekly premium contributions for the Medical Benefits Plan shall be as follows:

Employee only	\$17.88
Employee & 1 dependent	\$31.86
Employee & 2 or 3	\$35.80
Employee & 4 or more	\$53.69

2. Employee annual deductibles are as follows:

- a. In-Network per Calendar Year – remains the same as 2010
 - \$250 per individual
 - \$500 per family
 - b. Out-of-Network per Calendar Year
 - \$400 per individual
 - \$800 per family
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- 3. Increase Employee Co-Insurance – *Out-of-Network only*
 - a. Decrease percentage from 70% to 65%
 - 4. Increase Stop Loss Out-of-Pocket *Maximum to \$15,000*
 - a. Individual maximum - \$1,500
 - b. Family maximum - \$4,500
 - 5. Chiropractic – *up to 25 visits per year*
 - a. In-Network 90%
 - b. Out-of-Network 65%
 - 6. Acupuncture – *up to 12 visits per year*
 - a. In-Network 90%
 - b. Out-of-Network 65%
 - 7. Hearing Aids
 - a. *One exam every 24 months and 1 hearing aid (or set) every 36 months*
 - 8. Prescription Plan
 - a. Retail

Generic	\$ 5.00
Preferred/Formulary	\$20.00
Non-preferred/non-formulary	\$30.00
 - b. Medco by Mail

Generic	\$10.00
Preferred/Formulary	\$30.00
Non-preferred/non-formulary	\$60.00
 - 9. Reduce from a 34 day supply to 30 day supply

10. If a member chooses to stay on a brand name drug which has a generic equivalent available, the member is responsible for the generic co-pay plus the difference in cost between the brand name and generic drug.

11. Preferred Drug Step Therapy – (Angiotensin Receptor Blockers)

12. Prior Authorization

13. Step Therapy

14. Quantity Duration

C. Employee Assistance Plan (EAP), Mental Health, and Substance Abuse

The Federal Mental Health Parity Act requires employers to offer the same level of coverage for mental health and substance use benefits as is offered for medical and surgical services.

Effective January 1, 2011 the EAP will cover up to five (5) visits with a Holman Group provider. Additional visits will be covered under the medical benefits plan provided by Principal and subject to the co-insurance and deductibles, dependent upon the use of a network or non-network provider.

D. The vision plan will be separated from the medical benefits plan effective January 1, 2011. Employees may elect to participate in the vision plan with a separate employee contribution. A frame allowance every 12 months instead of the current 24 month allowance will be added to the vision plan. The additional cost of the allowance will be covered wholly by employees on an on-going basis through increased employee contributions.

1. The Employee bi-weekly premium contributions for the Vision Service Plan shall be as follows:

	<u>Current</u>	<u>New</u>
Employee Only	\$0.24	\$1.01
Employee & 1 dependent	\$0.42	\$1.81
Employee & 2 or 3 dependents	\$0.47	\$2.03
Employee & 4 or more dependents	\$0.71	\$3.04

The above referenced frame allowance and contribution increase will become effective on the first of the month following a 31-day period after all agreements containing this paragraph are ratified by the Board of Directors.

E. The District offers voluntary benefit programs as set forth below in which the premium is paid entirely by the employee who must elect to participate in the plan. The following voluntary programs will be effective January 1, 2011:

1. Dental Plan Coverage (Bi-weekly Premium Contributions)

a. Dental Health Services (DHMO) – Dental Health Services (DHS) California
 Premiums remain as follows:

	<u>Current</u>	<u>Renewal</u>
Employee only	\$12.23	\$12.23
Employee +1 dependent	\$22.75	\$22.75
Employee + 2 or more dep.	\$32.95	\$32.95

DHS Arizona

Employee only	\$13.66	\$13.66
Employee + 1 dependent	\$26.31	\$26.31
Employee + 2 or more dep.	\$64.62	\$64.62

b. Principal POS/PPO

Employee only	\$22.64	\$22.64
Employee + 1 dependent	\$43.13	\$43.13
Employee + 2 or more dep.	\$68.53	\$68.53

c. Principal EPO

Employee only	\$14.70	\$14.70
Employee + 1 dependent	\$27.97	\$27.97
Employee + 2 or more dep.	\$44.38	\$44.38

F. Husband-wife Teams – The spouse with the earliest hire date will be primary for purposes of medical coverage and employee contributions and the spouse with the later hire date will be carried as a dependent.

G. Expanded Mexican PPO network (to include Almater) projected for calendar year 2011 and upon resolution of issues that prevent electronic transfer of eligibility data between the District and Pinnacle.

H. The District will establish a Health Reimbursement Account (HRA) for the sole purpose of allowing retirement eligible employees (upon retirement) to voluntarily transfer the value of their accrued time pursuant to District policy. Retiring employees will be allowed to receive up to ninety-six (96) hours of sick leave accrued during the calendar

year of their retirement as credit for transfer into the HRA. Employees electing to transfer accrued hours into the HRA account must notify the Human Resources Department, Employee Benefit Section by the last pay-period in December of the year preceding the year in which they retire. Retiring employees electing to participate in the HRA must transfer all available accrued hours into the HRA.