

APPENDIX J

Appendix J is hereby added to the 2002-2008 Memorandum of Understanding between the County of Sonoma and SEIU, Local 707 to read as follows:

1. SEIU, Local 707 and the County of Sonoma have heretofore executed a Memorandum of Understanding that is in effect until 11:59 p.m., June 30, 2008.
2. Both parties are desirous of amending Section 12.20 et seq., to update Extra-Help Employees Health Benefits as follows: (Bold shows new language, and strikeouts show language to be deleted.)

12.20 Health, Dental, & Vision Benefits - Extra-Help Employee

Only benefits required by law and the following sections of Article 12 apply to extra help employees: 12.16 (Malpractice Coverage), 12.3 (Documents or contracts Controlling), 12.18.4 (HMO claims dispute), 12.18.5 (Workers' Comp-Claims dispute), 12.21 (COBRA), sections 12.20 through 12.20.9

12.20.1 Health Benefits - Extra-Help Employees

Effective on the first pay date in ~~April~~ **July** 2003, extra-help employees shall have access to a Kaiser Permanente Health Plan #**38655 with optical coverage** through the Health Care Employees/Employer Dental Medical Trust. **This plan has a \$15 office co-pay and \$10 Prescription co-pay. Premiums for the plan will be paid in advance on the first two pay dates of the month prior to the coverage effective date and on the first two pay dates of every month thereafter. When payment has been made in full, coverage will take effect on the first of the month following payment and shall end on the last day of the same month. Coverage will be month to month and is dependent on full payment of premiums and subject to continued eligibility.**

12.20.2 Health Benefits - Extra-Help Employees: Eligibility

Coverage for those employees meeting all eligibility requirements will be effective beginning July 1, 2003. Payroll deduction for the payment of premiums for such coverage will begin on the first pay date in June 2003. Employees who meet the following criteria will be eligible to begin payroll deductions once all four criteria are met:

- 1) Employed by the County for at least 11 consecutive pay periods, and**
- 2) Worked at least 440 hours, and**
- 3) Worked at least 160 hours in the previous 4 pay periods, and**
- 4) Must generally work at least 40 hours per pay period**

~~Beginning with the first pay date in April 2003, benefit eligibility will become effective on the first pay date after the pay period in which the employee has been employed by the County for at least 13 consecutive pay periods and has worked at least 520 hours. In addition, employees must have worked at least 160 hrs in the previous 4 scheduled pay periods and must generally work at least 40 hours per pay period in order to enroll in the plan.~~

12.20.3 Health Benefits - Extra Help Employees: Contribution Rates

Upon approval of a plan and the initiation of benefits coverage to extra-help employees, the County contribution rate will be implemented in three steps: During the initial period of plan availability and coverage, for each pay period in which an extra-help employee works at least 40 hours, the County shall contribute fifty percent (50%) toward the cost of employee only coverage.

The employee shall pay the balance of the premiums by pre-tax payroll deduction as allowed by IRS Code Section 125.

Beginning on the first pay date in February 2004, the biweekly County contribution shall increase to sixty-five percent (65%) of the cost of employee only coverage.

Beginning on the first pay date in February 2005, the biweekly County contribution shall increase to eighty percent (80%) of the cost of employee only coverage.

For each pay period in which the extra-help employee works more than 20 but less than 40 hours, the above amounts shall be prorated in proportion to the number of hours worked in the pay period.

12.20.4

Health Benefits-Extra-Help Employees: **Enrolled** Employee's obligation for continued coverage and conditions for regaining eligibility

An extra-help employee who is ~~covered by~~ **enrolled in** the health plan who fails to work at least 20 hours in any pay period **in which a premium deduction was due**, will be eligible to ~~continue~~ **contribute toward** the health coverage by paying the full amount of the premiums by payroll deduction if sufficient funds are available **to fully cover the deduction**, ~~or through COBRA if insufficient funds are available to cover the full cost of the premiums.~~ **Premium payments not paid by payroll deduction will be due in the Auditor-Controller's Payroll Office by the last day of the pay period in which there were insufficient hours worked.**

A \$10 late fee will apply for each payment not received by the due date.

Premium payments not paid by payroll deduction but paid directly to the Auditor-Controller's Office may be continued for a maximum of three (3) months or upon the exhaustion of any approved CPDL, CFRA, or FLMA benefit period, whichever is later.

- a) **Employees who choose to pay timely premiums directly to the Auditor-Controller's Office by cash or check without a lapse in coverage shall resume premium payment by payroll deduction on the first available pay date following their last cash premium payment without a lapse in coverage.**
- b) **Employees who choose to lapse their coverage during a period of absence may do so by notifying the Auditor-Controller's Payroll Office in writing no later than 7 days after the premium due date. Coverage will be lost for the months not paid. Premium payment by payroll deduction shall restart on the first pay date of a month with sufficient funds to cover the cost of premiums due and shall continue until discontinued by a written cancellation notice, non-payment of premiums, a temporary lapse in coverage in accordance with this section, or separation from employment. Coverage will not restart until a full month's premiums are paid in full.**
- c) **Employees may choose to cancel their coverage by completing the appropriate forms.**
- d) **Employees who fail to make any of the above elections or who fail to pay premiums when due shall receive one notice of payment due and shall have their coverage canceled for failure to respond.**
- e) **The County reserves the right to cancel an employee's active coverage if the employee lapses coverage more than three times, or a similar frequency that is determined to be an administrative burden.**

Employees who choose option (c) or are canceled under item (d) or (e) must wait until the next open enrollment period to re-enroll.

~~Employees who lose coverage due to pay period(s) with insufficient hours worked shall regain coverage on the first pay date following a period with at least 20 hours worked.~~

~~The County reserves the right to cancel an employee's active coverage if an employee loses coverage more than twice in any 13 consecutive pay periods, or a similar frequency that is~~

~~determined to be an administrative burden.~~ An employee **who loses coverage** ~~canceled~~ under this section **may** ~~shall~~ be eligible to elect COBRA continuation of coverage **if he or she is no longer eligible to pay premiums directly to the Auditor Controller's payroll division.**

The failure to pay premiums or the election to lapse or cancel coverage are not COBRA qualifying events. ~~If canceled under this section, an employee wishing to reactivate coverage must file new enrollment forms and must work at least 40 hours a pay period for 4 consecutive pay periods.~~

12.20.5 Health Benefits - Extra-Help Employees: Dependent Coverage

Covered employees may purchase dependent coverage for eligible dependents at their own expense through pre-tax payroll deduction as allowed by IRS code sect. 125.

12.20.6 Health Benefits - Extra-Help Employees: Enrollment

Approximately ~~45 days~~ **2 months** prior to the anticipated eligibility date, the County shall provide enrollment materials to the employee. The employee then has ~~30~~ **21 calendar** days to complete and submit the enrollment forms. If coverage is waived upon initial eligibility, election to participate in the health plan can only be made during an annual open enrollment period designated by the County or as required by law.

12.20.7 Health Benefits - Extra Help Employees: **Family and Medical Leave Act (FMLA), California Family Rights Act (CFRA), or California Pregnancy Disability Leave (CPDL) FMLA/CFRA**

~~Eligible extra-help employees who are off work on an FMLA or CFRA or CPDL qualifying leave shall receive a County contribution toward health insurance equal to the average amount received in the two pay periods immediately preceding the first pay period of eligible leave. Employees must pay their share of the health benefits in order to maintain coverage and to continue to be eligible for a County contribution. Employees must file an Extra Help FMLA/CFRA/CPDL Request for Leave form along with appropriate medical documentation with their department. ~~The approved~~ **Upon approval, the** leave form signed by the employee and his/her appointing authority shall be forwarded to the Auditor-Controller's office.~~

An employee who is eligible for this continued benefit shall notify the Auditor-Controller's payroll division of the employee's intent to continue insurance coverage no later than five (5) County business days after the first day of the leave.

To ensure continued insurance coverage, premiums shall be paid by the employee to the Auditor-Controller's office no later than the last day of the pay period **for which premiums were due.** ~~This premium provides coverage for the two week period beginning on the next pay date.~~ If the employee fails to pay the premium by the last day of the pay period, he/she will receive one reminder notice. In order to reinstate coverage, the employee shall pay a \$10.00 late charge in addition to the premium amount by the date specified in the reminder notice. Only one reminder notice will be sent. If the employee fails to make proper payment by the end of the second pay period, the employee's continued health insurance shall be terminated.

The employee will not regain eligibility until he or she has worked four (4) consecutive pay periods with 40 or more hours worked in each. Under no circumstances will the County be obligated to pay premiums for dependent coverage.

12.20.8 Health Benefits - Extra-Help Employees: Review of Benefit Administration Issues

The County and the Union agree to meet and confer in committee:

a) to discuss any issues that may arise during initial implementation, for example computer

software programming, that may require modification of the eligibility rules; and

- a) to review the effects of these eligibility rules on administration of the Plan and discuss any administrative issues that have arisen during the first eighteen (18) months of the Plan in an effort to implement any mutually agreed upon changes as soon as practical.

~~12.20.9 Health Benefits Extra Help Employees: Plan Adoption Process~~

~~After approval of this MOU and the receipt of the appropriate premium information from the Trust, the County and the Union will meet and agree to the acceptability of the plan options and premium costs that will be included in the election. The Union will then, within three (3) months, conduct an election of the extra help members on the agreed upon options for coverage. Premium quotes have been requested from the Trust based on three (3) levels of co-pay, each with and without optical coverage. The election will be a form of preferential voting to determine the option with the greatest preference.~~

Option	Office Co-pay	Rx Co-pay	Optical
1	\$10.00	\$ 5.00	Yes
2	\$10.00	\$ 5.00	No
3	\$10.00	\$10.00	Yes
4	\$10.00	\$10.00	No
5	\$15.00	\$10.00	Yes
6	\$15.00	\$10.00	No

- 3. This Memorandum of Understanding sets forth the full and entire understanding of the parties regarding the matters set forth herein. Any other prior or existing understanding or agreements by the parties whether formal or informal regarding any such matters are hereby superseded or terminated in their entirety.
- 4. Except as specifically provided herein, it is agreed and understood that the Union voluntarily and unqualifiedly waives its right to and releases the County from any obligation to meet and confer on any subject or matter contained herein during the term of this 2002-2008 Memorandum of Understanding.
- 5. No agreement, understanding, variation, waiver or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed in writing by the parties hereto and, if required, approved and implemented by the County's Board of Supervisors.
- 6. Nothing in this agreement shall be construed to limit, remove, expand or in any way alter the existing or future jurisdiction or authority of the Civil Service Commission as provided in Sonoma County Ordinance No. 305-A as amended or as provided in the rules adopted thereunder.
- 7. The waiver of any breach, term or condition of this Memorandum of Understanding by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

MICHAEL ALLEN, SEIU, Local 707

DATE

JOANNE SIDWELL, County

DATE