
AUTHORIZING THE MAYOR OF THE CITY OF DEKALB, ILLINOIS TO EXECUTE A SIDE LETTER TO THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY OF DEKALB AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES (AFSCME) LOCAL 813 REGARDING INSURANCE PLAN OPTIONS EFFECTIVE JANUARY 1, 2016.

BE IT RESOLVED BY THE CITY COUNCIL of the City of DeKalb, Illinois, as follows:

Section One. That the Mayor of the City of DeKalb, Illinois is authorized and directed to execute a side letter regarding insurance plan options to the collective bargaining agreement between the City of DeKalb and the American Federation of State, County and Municipal Employees (AFSCME) Local 813, copy of which is attached hereto and made a part hereof as Exhibit "A".

Section Two. That the City Clerk of the City of DeKalb is authorized and directed to attest to the Mayor's signature.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois at a regular meeting thereof held on the 23rd day of November 2015 and approved by me as Mayor on the same day. Passed by a 7-0 roll call vote. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Rey.

ATTEST:

JENNIFER JEEPH JOHNSON, City Clerk    JOHN A. REY, Mayor
APPENDIX G
SUPPLEMENTAL AGREEMENT
HEALTH INSURANCE BENEFITS

The undersigned parties agree that in their joint interest of providing competitive and cost-effective health insurance benefits for all bargaining unit members, effective January 1, 2016, the following changes will be made to the package of insurance benefits offered to members of AFSCME Local 813. To the extent there is a conflict between the provisions of this Supplemental Agreement and the terms of the Collective Bargaining Agreement, the terms of this Supplemental Agreement shall control.

The Union and the City agree that nothing within this agreement should be construed as diminishing the Union’s right to file a grievance over the terms of the PPO Plan or the High Deductible Health Plan as provided in Article 12, Section A of the collective bargaining agreement.

Beginning on January 1, 2016, the parties agree that bargaining unit employees and AFSCME retirees shall be offered the option to enroll in one of three health insurance plan choices: 1) a PPO plan; 2) an HMO plan; and 3) a High Deductible Health Plan (“HDHP”) which will include a City contribution to a Health Savings Account (“HSA”).

PPO Plan

Appendix E-1 (“Standard Health Plan”) of the Collective Bargaining Agreement, as referenced in Article 12 of that Agreement, shall be replaced with Attachment 1 to this Supplemental Agreement. This plan shall no longer be called the “Standard Health Plan,” but shall instead be called the “PPO Plan.” The former Standard Health Plan will be discontinued.

HMO Plan

The City shall offer an HMO plan which will be the same plan that is offered to the City’s non-represented employees. The City can change the HMO plan from time-to-time, as long as such changes apply equally to AFSCME employees as they are applied to the non-represented employees. All changes will be communicated during Open Enrollment for the upcoming insurance plan year and will be effective no sooner than January 1 of the first plan year after which the changes are communicated.

High Deductible Health Plan

Appendix E-2 (“High Deductible HSA Plan”) of the Collective Bargaining Agreement, as referenced in Article 12 of that Agreement, shall be replaced with Attachment 2 to this
Supplemental Agreement. The Current High Deductible HSA Plan shall be discontinued. The High Deductible Health Plan shall include an annual contribution to a Health Savings Account for any current employee who chooses to enroll in the High Deductible Health Plan. Retirees shall not be eligible for any contributions to a Health Savings Account. The terms of the High Deductible Health Plan shall be as described in Attachment 2 to this Supplemental Agreement.

Cost

The cost for participating in any of these plan options shall be as described in Article 12, Sections C and D of the current collective bargaining agreement.

Additional Insurance Benefits

- The changes to the dental plan for Plan Year 2016 that will be applied to the City’s non-represented employees will also be applied to employees covered by the Collective Bargaining Agreement.

- Employees will have the option of enrolling in a vision insurance program on the same terms and conditions as other City employees. The cost of those benefits will be paid 100% by the employee, but enrollment is completely optional.

- Employees will have the option of enrolling in a supplemental life insurance program on the same terms and conditions as other City employees. The cost of those benefits will be paid 100% by the employee, but enrollment is completely optional.

For the City of DeKalb:  

[Signature]

Date: 12-4-2015

For the Union:

[Signature]

Date: 11-6-15
APPENDIX G, ATTACHMENT 1

PPO PLAN

IN-NETWORK (90%)/OUT-OF-NETWORK (70%)

Deductible:

- Single $500
- Single +1 $1,000 ($500 per individual/$1,000 max family)
- Family $1,500 ($500 per individual/$1,500 max family)

Out-of-Pocket:

- Single $1,500 (includes deductible)
- Single +1 $3,000 (includes deductible) ($1,500 per individual/$3,000 per family)
- Family $4,500 (includes deductible) ($1,500 per individual/$4,500 per family)

Emergency Room copay - $150 copay

Chiropractic Services unlimited

PHARMACY

- 30 or 90 day supply – local or mail order
  Generic $5
  Formulary $35
  Non-formulary brand $50
APPENDIX G, ATTACHMENT 2

HDHP PLAN

IN-NETWORK (100%)/OUT-OF-NETWORK (80%)

Deductible:
- Single $2,500
- Family $5,000

Out-of-Pocket:
- Single $2,500 in network/$2,750 outside network (includes deductible)
- Family $5,000 in network/$6,850 outside network (includes deductible)

Emergency Room copay – Deductible applies, then 100%

PHARMACY

- Deductible applies, then 100%

HSA CONTRIBUTIONS

- The City shall make the following HSA contributions on behalf of active employees who enroll in the HDHP plan
  - $1,250 for employees with single coverage
  - $2,500 for employees with family coverage