

ARTICLE 48
HEALTH AND WELFARE

(final numbering and updated reference to occur for Final CBA)

48.1 Benefits and Eligibility *(bargaining note: need to review the term "officer" for consistency in entire agreement)*

48.1.1 Regular ~~Permanent~~ full-time officers shall be eligible for medical, dental, vision and life insurance coverage the first of the month following thirty (30) days of eligible service. Medical, dental, vision and life insurance benefits will be paid at 100% of the City contribution for those officers who have a Standard Hours designation of at least seventy-two hours in a pay period in a benefits eligible, budgeted position.

48.1.2 Regular ~~Permanent~~ part-time officers will be eligible for medical, dental, vision and life insurance coverage the first of the month following thirty (30) days of employment ~~174 hours of eligible service~~. Medical, dental, vision and life insurance benefits will be paid at 50% of the City contribution for any regular ~~permanent~~ officer who has a Standard Hours designation of at least forty hours but less than seventy-two hours in a pay period in a benefits eligible, budgeted position.

48.1.3 Medical, dental, vision and life insurance benefits may be denied to officers who are in a pay status for less than eighty (80) hours during a calendar month by the withholding of City-paid premiums for the subsequent month.

The City of Portland Health Plan Document and subsequent related materials reflect reinstatement of coverage rules for PPA members. If a member's coverage has been terminated due to loss of eligibility (excluding termination of employment), coverage will be reinstated without meeting the eligibility waiting period, provided the member returns to a benefits eligible status within twelve (12) consecutive months after the date coverage stopped. If the member is eligible for reinstatement, City contributions become effective on the date of benefits reinstatement. "Any required catch-up premium contribution(s) will be deducted from the first paycheck the employee receives upon returning to paid leave status unless other repayment arrangements have been made.

48.1.4 Upon the effective date of this provision, officers shall be afforded the following medical care benefits:

Benefit	In Network	Out of Network
Type of Plan	PPO	PPO
Deductible	Individual, \$150 Family, \$450	Individual, \$450 Family, \$1,350

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Inpatient Hospital	80% after deductible	60% of MPA after deductible
Outpatient Hospital	80% after deductible	60% of MPA after deductible
Office Visit Co-Pay	80% after deductible	60% of MPA after deductible
Primary Care Co-Pay	80% after deductible	60% of MPA after deductible
Diagnostic Lab & X-Ray	80% after deductible	60% of MPA after deductible
Emergency Room (co-pay waived if admitted)	\$50 co-pay, then 80%	\$50 co-pay, then 60% of UCR
Benefit	In Network	Out of Network
Ambulance (no deductible)	80% of UCR	80% of MPA
Alternative Care (acupuncture, naturopaths, and chiropractor) (chiropractor limited to 35 visits per year)	80% after deductible	60% of MPA after deductible
Diabetes Education/Self Management	80% / \$500 annual maximum	60% / \$1,000 annual maximum
Smoking Cessation	80% / \$500 annual maximum	60% / \$500 annual maximum
Well-Child Care	100%, no deductible	60% of MPA after deductible
Adult Physical Exams	100%, no deductible	60% of MPA after deductible
PSA Exams	100%, no deductible	60% of MPA after deductible
Women's Exams	100%, no deductible	60% of MPA after deductible
Immunizations	100%, no deductible	60% of MPA after deductible
Generic (30-day supply)	90%, \$5 min - \$35 max	60% after deductible

Preferred (Brand)(30-day supply)	80%, \$5 min - \$35 max	60% after deductible
Non-Preferred (Brand)(30-day supply)	70%, \$5 min - \$35 max	60% after deductible
Mail Order – 90 Day Supply	1 x copy to \$50 max	N/A
Annual Out Of Pocket Maximum Opt-Out Rebates to Employees	Individual, \$1,000 Family, \$2,500 Employee, \$50 Two Party, \$90 Family, \$125	Individual, \$3,600 Family, \$9,000

48.1.5 The City shall provide to PPA members dental and vision coverage, with benefit levels no less than the most generous benefit levels afforded to non- represented employees.

48.1.6 ~~Beginning in Plan year July 1, 2017,~~ Benefit levels under Articles 48.1.4 and 48.1.5 (the PPA CityNet Medical and Delta Dental plans) are ~~will become~~ self-insured. The benefit levels under Articles 48.1.4 and 48.1.5 will not be reduced through the City's move to self-insurance, unless through agreement by the PPA and the City.

48.1.6.1 The City will maintain ~~set up an account establishing~~ the PPA Health Operating Fund. All active, retiree, COBRA and other continuation participant premiums/other payments will be deposited in the PPA Health Operating Fund and used for the payment of claims and all other costs associated with the administration of the Fund. The City will not co- mingle funds between the City Health Operating Fund and the PPA Health Operating Fund related to the payments of claims, external carrier administrative fees, and/or stop-loss insurance premiums.

48.1.6.2 The City will maintain a ~~will establish a~~ retention reserve within the PPA Health Operating Fund. ~~and will be funded through retention dollars held by Moda Health, Inc. related to the insured medical and dental plans in place as of June 30, 2017. All payments of retention dollars by MODA Health, Inc. will be paid and deposited in the PPA Health Operating Fund no later than December 31, 2018. The~~ City will maintain the PPA Health Care Operating Fund with adequate reserves to meet Fund obligations, unless through agreement by the PPA and the City.

48.1.6.3 Excess reserves are the monies in the PPA Health Care Operating Fund that are not needed to meet Fund obligations. Excess reserves will remain in the PPA Health Care Operating Fund and will be subject to separate reporting to the PPA.

48.1.6.4 The City will maintain the PPA Health Operating Fund and all reserves associated with the Fund in an interest bearing account according to City

investment policy. Fund reserves will be pooled and will not be allocated on an individual employee basis

48.1.6.5 To protect PPA Health Operating Fund assets, the City will purchase stop-loss insurance and the City will include the premium cost in the overall monthly rates as determined by tier.

48.1.6.6 The City will include external administrative fees in the overall monthly rates as determined by tier and paid through the PPA Health Operating Fund.

48.1.6.7 The City will provide the PPA with internal administrative fee detail as part of each annual renewal. The internal administrative fee is set by the City on an annual basis and is included in the monthly rates as determined by tier. The internal rate is determined and calculated by the City, provided to the actuary, and includes the following:

- Personnel Costs
- External Materials and Services
- Internal Materials and Services
- BOND – Debt Service contribution
- City Overhead
- All required health care local, state and federal taxes/fees applicable to self-insured plan administration
- Any required Citywide assessment by City Council

48.1.6.8 Monthly rates by tier are set on an annual basis by the City's actuarial consultant through a collaborative and transparent process with the PPA by March 15 of each calendar year. The PPA and the City will establish regular meetings resulting in plan design recommendations provided to City Council through the annual renewal of the City's Health Plan Document and related Summary Plan Descriptions. The City will make available to the PPA all relevant information for the PPA Health Operating Fund, including actuarial information, excess reserve information, claims paid information, stop loss insurance information, and administrative fee information. City Council shall retain the discretion to implement or reject any of the recommendations.

48.1.6.9 The PPA will not grieve the City's setting of monthly premium rates (including medical, prescription, internal and external administrative fees, and mandatory federal state fees/taxes of a self-insured plan). No retroactive adjustments to the established rates will be made.

48.1.6.10 The benefit levels under Articles 48.1.4 and 48.1.5 will be maintained, unless through agreement by the PPA and the City.

48.2 Plan Costs

48.2.1 Premium and Cost Shares: The cost of the provision of the benefits listed in Articles 48.1.4 and Article 48.1.5 shall be divided as follows: 95% of the costs shall be paid by the City ~~(representing 100% of the City contribution as articulated in Article 48.1.1)~~ *(barg. note: withdrawn by City 8/25/21)*, and 5% of the costs shall be paid by the PPA member. For the purposes of this article, "costs" and "premiums" shall be calculated based upon the PPA's claims data, together with administrative and other costs routinely taken into account in calculating health care expenses.

48.2.2 Any portion of plan costs paid by officers under the terms of this article shall be paid through a ~~monthly~~ payroll deduction on the first and second paycheck of each month.

48.2.3 City Contributions.

48.2.3.1 ~~Effective July 1, 2017 through June 30, 2018.~~

~~48.2.3.1.1 Self-Insured Medical Plan effective Plan Year July 1, 2017 through June 30, 2018.~~ Effective in Benefit Plan Year July 1, 2017 through June 30, 2018, the City shall contribute ninety-five percent (95%) of the basic medical, vision and dental rates adopted by City Council for the one party, two-party or family enrollees (whichever applies) for each full-time regular employee who elects the Self-Insured Medical Plan (benefits listed in Articles 48.1.4 and 48.1.5). The City reserves the right to expand family tier descriptions if it is in the best interest of the employee enrollee and it has been accepted by the PPA and subsequently approved by City Council.

~~48.2.3.1.2 Insured Kaiser Medical and Vision and Choice of Dental Plan effective Plan Years July 1, 2017 through June 30, 2018.~~ Effective in Benefit Plan Years July 1, 2017 through June 30, 2018, the City shall contribute for employees enrolled in the Insured Kaiser Medical and Vision Plan and choice of dental plan for each full-time regular employee, one hundred percent (100%) of the City Contribution under article 48.2.1 for the one party, two-party or family enrollees (whichever applies).

48.2.3.2 Effective July 1, 2017 and for subsequent plan years.

48.2.3.2.1 **High Deductible Health Plan (HDHP) effective Plan Year July 1, 2017.** Beginning with Benefit Plan Year July 1, 2017, and effective in subsequent plan years, The City shall contribute one hundred percent (100%) of the medical and vision rates and ninety-five percent (95%) of the dental rates adopted by the City Council and elected by the employee for the one party, two party or family enrollees (whichever applies) or any

variation of the tiered rates accepted by the PPA and subsequently approved by City Council, for full-time regular employees who elect the HDHP.

48.2.3.3.1.1 Effective July 1, 2018 and for subsequent plan years.

~~48.2.3.3.2 Beginning with Benefit Plan year July 1, 2018, and effective in subsequent plan years, The City shall contribute ninety- five percent (95%) of the basic medical, vision and dental rates adopted by the City Council and elected by the employee for the one party, two party or family enrollees (whichever applies), or any variation of the tiered rates accepted by the PPA and subsequently approved by City Council, for each full-time regular employee who elects the Self-Insured Medical Plan (benefits listed in Articles 48.1.4 and 48.1.5); provided the employee has received a preventive health care examination within the prior three (3) full calendar year period (from January 1, 2015 through December 31, 2017). In subsequent plan years beginning July 1, 2019, the preventive health care examination look back will be the prior two (2) full calendar year period.~~

~~48.2.3.3.3 Beginning with Benefit Plan year July 1, 2018 and effective in subsequent plan years, The City shall contribute for employees enrolled in the Insured Kaiser Medical and Vision Plan and choice of dental plan for each full-time regular employee, one hundred percent (100%) of the City Contribution under article 48.2.1 for the one party, two-party or family enrollees (whichever applies); provided the employee has received a preventive health care examination within the prior three (3) full calendar year period (from January 1, 2015 through December 31, 2017). In subsequent plan years beginning July 1, 2019, the preventive health care examination look back will be the prior two (2) full calendar year period.~~

~~48.2.3.3.4 Beginning with Benefit Plan year July 1, 2018, and effective in subsequent plan years, The City shall contribute ninety percent (90%) of the basic medical, vision and dental rates adopted by the City Council for each full-time regular employee who has elected the Self-Insured Medical Plan (benefits listed in Articles 48.1.4 and 48.1.5) and who has not received a preventive health care examination within the prior three (3) full calendar year period (from January 1, 2015 through December 31, 2017). In subsequent plan years beginning July 1, 2019, the preventive health care examination look back will be the prior two (2) full calendar year period.~~

~~48.2.3.3.5 Beginning with Benefit Plan year July 1, 2018 and effective in subsequent plan years, The City shall contribute one hundred percent (100%) of the City's ninety percent (90%) contribution under Article 48.2.3.3.3 for each full-time regular employee who has elected the Insured~~

Kaiser Medical and Vision Plan and choice of dental plan and who has not received a preventive health care examination within the ~~prior three (3) full calendar year period (from January 1, 2015 through December 31, 2017).~~ In subsequent plan years beginning July 1, 2019, the preventive health care examination look back will be the prior two (2) full calendar year period.

48.2.3.3.6 ~~Beginning with Benefit Plan year July 1, 2018, and effective in subsequent plan years,~~ The City shall contribute ninety-five percent (95%) for newly hired full-time employees who elect the Self-Insured Medical Plan (benefits listed in Articles 48.1.4 and 48.1.5). Newly hired full-time employees will have one (1) full calendar year after being hired to receive a preventive health examination to retain the City's ninety-five (95%) contribution. The City shall contribute ninety percent (90%) for the Self-Insured Medical Plan in the subsequent plan year for each newly hired full-time employee who does not receive a preventive health examination within the first full calendar year of service after being hired.

For example, for an employee hired in November 2020, the City will contribute 95% through June 30, 2022. If the new employee receives a preventive health care examination in calendar year 2021, the City's 95% contribution will continue effective July 1, 2022. If the newly hired employee did not receive a preventive health care examination in calendar year 2021, then the City's contribution level would change to 90% effective July 1, 2022.

~~For example, for an employee hired in November 2018, the City will contribute 95% through June 30, 2020. If the new employee receives a preventive health care examination in calendar year 2019, the City's 95% contribution will continue effective July 1, 2020. If the newly hired employee did not receive a preventive health care examination in calendar year 2019, then the City's contribution level would change to 90% effective July 1, 2020.~~

48.2.3.3.7 ~~Beginning with Benefit Plan year July 1, 2018, and effective in subsequent plan years,~~ The City shall contribute one hundred (100%) of the City Contribution under Article 48.2.1 for newly hired full-time employees who elect the Insured Kaiser Medical and Vision Plan and choice of dental plan. Newly hired employees will have one (1) full calendar year after being hired to receive a preventive health examination to retain the City's contributions. The City will make contributions as applicable and described in 48.2.3.3.4 in the subsequent plan year for each newly hired full-time employee who does not receive a preventive health examination within the first calendar year of service after being hired.

48.2.3.4 City and Employee Contributions for Part-Time Employees.
Contributions for part-time regular employees are governed by this Article. Once plan rates for each benefit year have been adopted by the City Council, the respective City and Employee contribution amounts shall be computed and the ~~Union~~ PPA shall be provided written notice of the amounts.

48.2.4 Employee Contributions.

48.2.4.1 ~~Effective July 1, 2017 through June 30, 2018.~~

~~48.2.4.1.1 — Self-Insured Medical Plan effective Plan Year July 1, 2017 through June 30, 2018. Effective in Benefit Plan Year July 1, 2017 through June 30, 2018, each payday, except for the third payday in a month, each full-time regular employee who elects the Self-Insured Medical Plan (benefits listed in Articles 48.1.4 and 48.1.5) shall contribute five percent (5%) of the total basic medical, vision and dental rates by applicable tier and adopted by City Council.~~

~~48.2.4.1.2 — Insured Kaiser Medical and Vision and Choice of Dental Plan effective Plan Years July 1, 2017 through June 30, 2018. Effective in Benefit Plan Years July 1, 2017 through June 30, 2018, each payday, except for the third payday in a month, each full-time regular employee who elects the Insured Kaiser Medical and Vision Plan and choice of dental plan shall receive 100% of the City Contribution under article 48.2.1 for the one party, two-party or family enrollees (whichever applies).~~

48.2.3.2 Effective July 1, 2017 and for subsequent plan years.

48.2.3.2.1 **High Deductible Health Plan (HDHP)** effective Plan Year July 1, 2017. Beginning with Benefit Plan Year July 1, 2017, and ~~effective in subsequent plan years,~~ Each payday, except for the third payday in a month, each full-time regular employee who elects the HDHP plan shall contribute zero percent (0%) of the total medical and vision rates, and five percent (5%) of the dental rates adopted by City Council for the applicable tier (whichever applies).

48.2.4.3 Effective July 1, 2018 and for subsequent plan years.

48.2.4.3.1 ~~Beginning with Benefit Plan year July 1, 2018, and effective in subsequent plan years, each payday, except for the third payday in a month,~~ Each full-time regular employee who elects the Self-Insured Medical Plan (benefits listed in Articles 48.1.4 and 48.1.5) shall contribute five percent (5%) of the total medical, vision and dental rates adopted by City Council for the applicable tier (whichever apply); provided the employee has received a preventive health care examination within the prior three (3) full calendar year period (January 1, 2015

through December 31, 2017). In subsequent plan years beginning July 1, 2019, the preventive health care examination look back will be the prior two (2) full calendar year period.

48.2.4.3.2 ~~Beginning with Benefit Plan year July 1, 2018 and effective in subsequent plan years, Each payday, except for the third payday in a month, each full-time regular employee who elects the Kaiser Medical and Vision Plan and dental plan choice shall receive 100% of the City Contribution under article 48.2.1 for the applicable tier (whichever applies); provided the employee has received a preventive health care examination within the prior three (3) full calendar year period (January 1, 2015 through December 31, 2017). In subsequent plan years beginning July 1, 2019, the preventive health care examination look back will be within the prior two (2) calendar year period~~

48.2.4.3.3 ~~Beginning with Benefit Plan year July 1, 2018, and effective in subsequent plan years, Each payday, except for the third payday in a month, each full-time regular employee who elects the Self-Insured Medical Plan (benefits listed in Articles 48.1.4 and 48.1.5), shall contribute ten percent (10%) of the total medical, vision and dental rates adopted by City Council for the applicable tier (whichever apply) if the employee has not received a preventive health examination within the prior three (3) full calendar year period (January 1, 2015 through December 31, 2017). In subsequent plan years beginning July 1, 2019, the preventive health care examination look back will be within the prior two (2) full calendar year period.~~

48.2.4.3.4 ~~Beginning with Benefit Plan year July 1, 2018 and effective in subsequent plan years, Each payday, except for the third payday in a month, each full-time regular employee who elects the Insured Kaiser Medical and Vision Plan and choice of dental plan, shall receive one hundred percent (100%) of the ninety percent (90%) of the City Contribution under article 48.2.3.3.3 for the applicable tier (whichever apply) if the employee has not received a preventive health examination within the prior three (3) full calendar year period (January 1, 2015 through December 31, 2017). In subsequent plan years beginning July 1, 2019, the preventive health care examination look back will be within the prior two (2) full calendar year period.~~

48.2.4.3.5 ~~Beginning with Benefit Plan year July 1, 2018, and effective in subsequent plan years, Each payday, except for the third payday in a month, each newly hired full-time regular employee who elects the Self-Insured Medical Plan (benefits listed in Articles 48.1.4 and 48.1.5) shall contribute five percent (5%) of the total medical, vision and dental rates adopted by City Council for the applicable tier (whichever apply). Newly hired full-time employees will have one (1) full calendar~~

year after being hired to receive a preventive health examination to retain the employee's five percent (5%) contribution. Newly hired full-time regular employees will contribute ten percent (10%) for the Self-Insured Medical Plan in the subsequent plan year for each newly hired full-time employee who does not receive a preventive health examination within the first full calendar year of service after being hired.

For example, for an employee hired in November 2020, the employee will contribute 5% through June 30, 2022. If the new employee receives a preventive health care examination in calendar year 2021, the employee's 5% contribution will continue effective July 1, 2022. If the newly hired employee did not receive a preventive health care examination in calendar year 2021, then the employee's contribution level would change to 10% effective July 1, 2022.

~~For example, for an employee hired in November 2018, the employee will contribute 5% through June 30, 2020. If the new employee receives a preventive health care examination in calendar year 2019, the employee's 5% contribution will continue effective July 1, 2020. If the newly hired employee did not receive a preventive health care examination in calendar year 2019, then the employee's contribution level would change to 10% effective July 1, 2020.~~

48.2.4.3.6 ~~Beginning with Benefit Plan year July 1, 2018, and effective in subsequent plan years, Each payday, except for the third payday in a month, each full-time regular employee who elects the Insured Kaiser Medical and Vision Plan and choice of dental plan, shall receive one hundred (100%) of the City Contribution under Article 48.2.1. Newly hired employees will have one (1) full calendar year after being hired to receive a preventive health examination to retain the City's contributions. The City will make contributions as applicable and described in 48.2.4.3.4 in the subsequent plan year for each newly hired full-time employee who does not receive a preventive health examination within the first calendar year of service after being hired.~~

48.3 **Domestic Partner Benefit.** The benefits described in Article 48.1 and 48.2 shall include domestic partner coverage.

48.4 **Retiree and Survivor Benefits.**

48.4.1 The City shall make available to a retired officer, spouse and children, or to the surviving spouse and children, or to the surviving spouse, the same medical, dental, and vision benefits offered to active officers. The cost of the plans shall be borne by the retiree or the retiree's spouse.

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48.4.2 In order to be eligible to receive the retiree health coverage provided for herein, the retiree must have had coverage under one of the City's active employee health plans in the month preceding the retiree's retirement. Retiree health coverage must be requested within 60 days of retirement unless the retiree/spouse has had other employer-sponsored group coverage continuously between the retiree's effective date of retirement and the date when the coverage described above is to commence.

48.4.3 Coverage shall continue to be available to a retired officer until the retiree becomes eligible for federal Medicare coverage. Coverage shall continue to be available to a retiree's surviving spouse until the spouse is eligible for federal Medicare coverage. Dependent coverage for the retiree's unmarried children shall continue to be available until the retiree's child reaches the age of majority under the applicable health plan. In the event that any coverage provided to a retiree or a retiree's surviving spouse is terminated by the retiree/surviving spouse prior to the time the retiree/surviving spouse becomes eligible for federal Medicare coverage, the future availability of such coverage will be contingent upon the retiree or retiree's surviving spouse maintaining continuous coverage through some other employer-sponsored group health plan between the date of termination and the date the retiree or retiree's surviving spouse wishes to re-enroll in a City-provided health plan.

48.4.4 A retiree or a retiree's surviving spouse who elects to participate in an insured health plan maintained by the City (e.g., Kaiser) will pay rates charged by the insurer for participants in their age group. If the insurer charges a higher rate for participants who are over 65, the City will allow the participant to switch to its City Net plan. A retiree or a retiree's spouse who elects participation in a City Net health plan offered by the City will pay the rate charged for active employees.

48.5 The City shall provide to the spouse and dependent children of an officer who is killed on the job, the same medical, dental and vision benefit plans available to active officers. The City agrees to continue the City contribution for the spouse and dependent children until the spouse reaches age sixty-five, ~~remarries~~, or becomes Medicare eligible, whichever comes first, and for each dependent child to the age which meets the eligibility requirements of the health plan in which they are enrolled. The promise of the City to provide insured plans is dependent upon the continuing availability of such plans from an insurance carrier and the qualification by the retired member ~~officer~~ with the plan while the retiree was employed with the City. Should an insurance carrier terminate the plan, the City shall attempt to replace it.

48.6 Life Insurance.

48.6.1 The City shall provide each officer with a life insurance policy; said policy shall be secured and maintained in accordance with the City's existing practices.

48.6.2 The value of the policy shall be no less than \$50,000.

48.6.3 The City shall make available supplemental life coverage on a voluntary, employee paid basis.

48.7 Deferred Compensation. The City shall allow officers under this contract to participate in the Deferred Compensation Program that is currently available to officers. However, if the program is determined not to be allowable as a tax deferral under the Internal Revenue Code, the participating officer shall hold the City and the unions harmless against any and all claims, demands, or other forms of liability arising as a result of any invalidation of the terms and conditions of the Program. *(bargaining note: contributions and fees are the sole responsibility of the employee)*

48.8 Federal Health Legislation. If the Federal Government enacts federal health legislation, or if any taxing authority taxes or otherwise limits or restricts health care benefits paid by the City, the City and the Association will immediately negotiate on the effect of that legislation as it pertains to this Article.

48.9 Tax Sheltering. The City shall offer to PPA members the opportunity to participate in tax sheltering and/or wellness ~~avoidance~~ health care programs and accounts, under the same terms and conditions provided to non-represented employees.

48.10 EAP. Employees and their eligible dependents will have access to no fewer than eight (8) no-cost EAP visits per employee or dependent each plan year. A list of approved EAP providers with specialized experience in law enforcement will be determined in consultation with the PPB Liaison, Benefits Office, EAP Contracted Provider and the Association. The list of providers will be given to the Association.