

Article XX. Health Care Benefits Amounts

Section 1.

- A. For the 2023-2025 biennium, the Employer Medical Contribution (EMC) will be an amount equal to eighty-five percent (85%) of the monthly premium for the self-insured Uniform Medical Plan (UMP) Classic for each bargaining unit employee eligible for insurance each month, as determined by the Public Employees Benefits Board (PEBB). In no instance will the contribution be less than two percent of the EMC per month.
- B. The point-of-service costs of the Classic Uniform Medical Plan (deductible, out-of-pocket maximums and co-insurance/co-payment) may not be changed for the purpose of shifting health care costs to plan participants, but may be changed from the 2014 plan under two (2) circumstances.
 - 1. In ways to support value-based benefits designs; and
 - 2. To comply with or manage the impacts of federal mandates.

Value-based benefits designs will:

- 1) Be designed to achieve higher quality, lower aggregate health care services cost (as opposed to plan costs);
- 2) Use clinical evidence; and
- 3) Be the decision of the PEBB Board.

D. Article XX.1.B. will expire June 30, 2025.

Section 2.

- A. The Employer will pay the entire premium costs for each bargaining unit employee eligible for insurance for dental, basic life, and any offered basic long-term disability and dental insurance coverage. If changes to the long-term disability benefit structure occur during the life of this agreement, the Employer recognizes its obligation to bargain with the Coalition over impacts of those changes within the scope of bargaining.
- B. If the PEB Board authorizes stand-alone vision insurance coverage, then the Employer will pay the entire premium costs for each bargaining unit employee eligible for insurance.

Section 3. Wellness

- A. To support the statewide goal for a healthy and productive workforce, employees are encouraged to participate in a Well-Being Assessment survey. Employees will be granted work time and may use a state computer to complete the survey.
- B. The Coalition of Unions agrees to partner with the Employer to educate their members on the wellness program and encourage participation. Eligible, enrolled subscribers shall have the option to earn an annual one hundred twenty-five dollars (\$125.00) or more wellness incentive in the form of reduction in deductible or deposit into the Health Savings Account upon successful completion of required Smart Health Program activities. During the term of this Agreement, the Steering Committee created by Executive Order 13-06 shall make

recommendations to the PEBB regarding changes to the wellness incentive or the elements of the Smart Health Program.

Section 4.

The PEBB Program shall provide information on the Employer sponsored Insurance Premium Payment Program on its website and in an open enrollment publication annually.

Section 5. Medical Flexible Spending Arrangement

- A. During January 2024 and again in January 2025, the Employer will make available two hundred fifty dollars (\$250) in a medical flexible spending arrangement (FSA) account for each bargaining unit member represented by a Union in the Coalition described in RCW 41.80.020 (3), who meets the criteria in Subsection XX.5(B) below.
- B. In accordance with IRS regulations and guidance, the Employer FSA funds will be made available for a Coalition bargaining unit employee who:
 1. Is occupying a position that has an annual full-time equivalent base salary of sixty thousand four dollars (\$60,000) or less on November 1 of the year prior to the year the Employer FSA funds are being made available; and
 2. Meets PEBB program eligibility requirements to receive the employer contribution for PEBB medical benefits on January 1 of the plan year in which the Employer FSA funds are made available, is not enrolled in a high-deductible health plan, and does not waive enrollment in a PEBB medical plan except to be covered as a dependent on another PEBB non-high deductible health plan.
 3. Hourly employees' annual base salary shall be the base hourly rate multiplied by two thousand eighty-eight (2088).
 4. Base salary excludes overtime, shift differential and all other premiums or payments.
- C. A medical FSA will be established for all employees eligible under this Section who do not otherwise have one. An employee who is eligible for Employer FSA funds may decline this benefit but cannot receive cash in lieu of this benefit.
- D. The provisions of the State's salary reduction plan will apply. In the event that a federal tax that takes into account contributions to a FSA is imposed on PEBB health plans, this provision will automatically terminate. The parties agree to meet and negotiate over the termination of this benefit.