

Medical Insurance Update

The Coalition's medical insurance subcommittee met in late spring to begin preliminary discussions about insurance providers for calendar year 2007. Discussion included the possible return to CalPERS for medical insurance coverage. Since that meeting CalPERS announced its premium rates for 2007 which show rate increases of 13.09% for its Blue Shield HMO plan, 12.5% for its PERS Choice PPO, and 10.07 for its Kaiser HMO plan. Aetna, our current medical insurance provider, will not give notice of rate increases for 2007 until early September. It is anticipated that its rate increase will be in line with those announced by CalPERS. Both the subcommittee and the Coalition's Board of Directors are committed to securing continued medical insurance coverage for all members with no member out-of-pocket cost.

If you have any information or concerns about medical insurance coverage you want to share with the subcommittee and Coalition Board, you can send an e-mail to CoalitionSMCE@verizon.net.

Coalition Board of Directors By Association

ATA

Rod Merl 458-8706
Ruth Firestone, Alternate
Neela Patel— Treasurer

EPP

Craig Perkins 458-8221

MEA

Lauralee Asch, President 458-8618
Robert Griffin 458-8693
Elke Hohls 458-4916
Jeri Wingo, Byron Gamble - Alternates

MTA

Tony Antich 458-8730
Joan Akins, Alternate

PAU

Marty Tachiki 458-8340
Lyn Cacciatore, Tony Serritella—Alternates

PALSSU

Judy Silverman, Secretary 458-8352

Rent Control

Keith Kresge, Vice President 458-8790
Jenethen Pearl-Angulo—Alternate

STA

Bill Bollinger 458-8963

UTU

Adhi Reddy
Martin Guerrero

Coalition History

The coalition came together in 2000 when representatives from all City non-safety bargaining units met and formed an alliance to deal with the City's plans regarding rapidly increasing medical insurance costs. After successfully negotiating the medical insurance issue and creating the medical trust to assist with retirement medical insurance, the non-safety bargaining units decided to create a permanent body – the Coalition of Santa Monica City Employees – as an on-going force to address matters significantly affecting all City employees which transcend the narrower concerns of the nine non-safety bargaining units.

The Coalition Board of Directors is made of representative(s) appointed by each bargaining unit to act on their behalf to deal with issues affecting all non-safety employees equally. The Coalition has on-going meetings with the City on issues within this purview.

Accomplishments

- ◆ Health Benefits Agreement with built-in cost of living increases
- ◆ Established a Medical Insurance Trust for Retirement
- ◆ Collaboration with City to avoid layoffs
- ◆ Collaborated with the City in the implementation of a flexible 125-plan to permit employees to set aside pretax earnings to pay for out of pocket medical costs
- ◆ Enhancement to PERS Retirement formula to 2% at 55 (from 2% at 60)
- ◆ Revised evaluation forms
- ◆ Enhanced PERS Death Benefits
- ◆ Renegotiated the umbrella agreement between the Coalition and the City for its continuing monthly contributions to the medical insurance trust and for the composite cap for health insurance premium costs that will address the needs of the employees.
- ◆ **Enhancement of PERS Retirement formula to 2.7% @ 55 (June 2006)**



Coalition of Santa Monica City Employees Newsletter—Summer 2006

Administrative Team Associates* Executive Pay Plan *Municipal Employees Association *
Public Attorneys Legal Support Staff Union *Public Attorneys Union *Management Team
Associates *Rent Control *Supervisory Team Associates *United Transportation Union

Employees Vote in Favor of PERS 2.7 Formula City Council Approves Resolution for Adoption

In May the membership voted on approval of a plan to improve the PERS retirement formula from 2% at 55 to 2.7% at 55. The formula involves paying for the upgraded benefit by deductions funded from the next three years' cost-of living increases (2.5% from 2006/7, 2.5% from 2007/8 and 1.67% from 2008/9).

Of the 842 ballots cast the vote was:

Yes: 760 = 90.3%

No: 82 = 9.7%

On June 27th, the City Council unanimously approved the resolution required to make the change with PERS to 2.7% at 55.

The change to our PERS formula will be effective as of **June 1, 2007**. So members retiring from the City after that date will do so at the 2.7% rate for their City of Santa Monica service time.

The initial 2.5 % deduction will begin with the **July 14, 2006** paycheck (except for MEA, STA & EPP who have 90 days to complete Negotiations. Deductions for those groups will start by October 1.)

Members who are interested in purchasing additional Service Credit (aka "Air Time") should contact CalPERS right away to review their options well in advance of next June.

**For retirement information go to the
CalPERS website
<http://www.calpers.ca.gov>**

***New Coalition E-mail Address**
CoalitionSMCE@verizon.net

Human Resources Benefits Hotline
(310) 458-8287

Medical Retiree Trust Announces the Commencement of Benefit Payments

We are pleased to announce that the Santa Monica City Employees Coalition Benefit Trust will begin making insurance premium reimbursement payments to eligible retired participants July 1, 2006, pursuant to the terms of the Trust "Premium Reimbursement Plan." Reimbursement will be made on a monthly basis and the initial monthly benefit level has been set at a maximum of \$200.

The Plan will reimburse eligible retirees toward the cost of post-retirement health insurance premiums they have paid for coverage in effect on or after July 1, 2006 up to \$200 per month. Health insurance is broadly defined. It includes insurance for:

- ◆ medical and hospital expenses
- ◆ dental and vision care
- ◆ hearing aid and prescription drug expenses
- ◆ long term care.

These premiums can be paid to a wide variety of health care plans, such as a traditional insurance company for individual coverage or to your spouse's employer plan for group coverage.

If you have any questions please contact Cindi Forbes of the Trust Office at (800) 700-6762. All provisions of the Plan continue to apply, and you can obtain a copy of the Plan from Ms. Forbes.

It's important that all employees provide the Trust with up-to-date information, including home address and beneficiary information. The Trust is governed by a Board of Trustees comprised of representatives from all of the bargaining units. Contact your association if you have questions.