

ARTICLE 19 - HEALTH PLAN

A. Insurance Negotiating Committee:

1. Establishment, Purpose and Effective Date

The Association and the County agree to the establishment of an Insurance Negotiating Committee composed of representatives of the County and each recognized employee bargaining unit.

The purpose of the Committee is to recommend to the Washoe County Commission any benefit changes in the County's medical, dental, vision and life insurance plans. This Committee shall also serve as the Oversight Committee for the Retiree Health Insurance Program.

This Committee shall become effective upon approval or ratification of the groups listed in Paragraph 2 below.

2. Composition of Committee

The Committee shall consist of one (1) voting member from each of the following groups:

- (1) Washoe County District Attorney Investigator's Association – Non-supervisory Unit
- (2) Washoe County District Attorney Investigator's Association – Supervisory Unit
- (3) Washoe County Public Attorneys Association
- (4) Washoe County Sheriff's Supervisory Deputies Association
- (5) Washoe County Sheriff's Deputies Association
- (6) Washoe County Employees Assn. – Supervisory-Admin. Unit
- (7) Washoe County Employees Assn. – Non-supervisory Unit
- (8) Washoe County Nurses Association – Non Supervisory Unit
- (9) Washoe County Nurses Association – Supervisory-Administrative Unit
- (10) Management
- (11) Any other bargaining unit that may be formed during the term of the Agreement

The Associations may have an expert attend the insurance committee meeting and provide input to the committee

(Revised 7-1-10)

In addition, one retired employee shall serve as a nonvoting member to provide input on the effects of proposed changes upon retirees. The name of a retiree may be nominated by any voting member. The retiree employee shall be selected by majority vote of the Board of Directors of the Association and shall thereafter serve at the pleasure of the said Board of Directors.

(Revised 8-15-00)

The Committee Chairperson and Vice Chairperson shall be appointed by the County Manager and will not have a vote on the Committee.

The voting member of each bargaining unit, upon conferring with its association as necessary, shall have the authority to bind said bargaining unit to any modification in benefits agreed to by a majority vote of the Committee. Such modifications shall then be presented to the County Commission, and if so approved by the County Commission, shall be binding upon each bargaining unit.

If the Committee recommendation is rejected by the County Commission, the Commission shall define their objections and parameters and the Insurance Committee shall, within fifteen (15) days of being notified of the Commission's objections and parameters, meet and attempt

to redefine plan modifications which meet the Commission-established parameters. If the Committee is successful, the plan modifications shall be resubmitted to the Commission for approval. If the Committee is unable to determine acceptable modifications for submission to the Commission, the County and Insurance Committee agree to resolve any resulting differences by submitting the dispute to expedited final and binding interest resolution which shall be binding upon the County and the bargaining units.

Binding Interest Resolution Process: When the Insurance Committee first convenes in any plan year, no later than January 31, they shall notify the County Manager of their designated representative(s) who shall represent the Insurance Committee in selecting an experience insurance neutral and scheduling a timely hearing should it be necessary. Within five (5) days of notification of the Committee's representative(s), said representative(s) and the County Labor Relations Manager shall meet and designate an experienced insurance neutral to hear such dispute should it become necessary. If the parties are unable to agree on the neutral, they shall obtain a list of five (5) experienced insurance individuals, from the Nevada Insurance Commissioner with in-depth knowledge of public sector insurance systems who are not associated with Washoe County or with the Washoe County Association bargaining units, and alternately strike from the list to select the neutral and the mediator. The right to strike the first name from the list shall be determined by the toss of a coin. They shall immediately contact the neutral and advise him/her of their selection should a hearing become necessary and the conditions for a decision which shall include: 1) the hearing shall be scheduled for two (2) consecutive days, with each party having one (1) day to present their position on the merits of the dispute; 2) the neutral may keep a record of the hearing and the parties will retain a court reporter to transcribe and provide a real time transcript of the hearing; 3) each party shall have five (5) days following the hearing to submit any brief they intend filing; 4) the neutral shall render a decision within fifteen (15) days of when the briefs are due; and 5) the neutral's authority shall be restricted to either selecting the plan design submitted by the Committee or the plan design submitted on behalf of the County Commission. The Insurance Committee representative(s) and the County Labor Relations Manager shall also be advised of the Insurance Committee schedule and shall set a date with the neutral in advance of any known dispute in order to insure a timely decision in the event the resolution process is necessary. In the event the resolution process hearing is not necessary, County shall pay any cancellation fees. Each party shall be responsible for their costs of presenting their case to the neutral and any of his/her fees shall be split equally with the Insurance Committee (Associations) paying half and County paying half.

Mediation Process: If an impasse occurs prior to going to binding interest resolution, the parties agree to contact the selected individual from the forgoing list of insurance neutrals to mediate the dispute. Should mediation not resolve the dispute an expedited hearing with the selected neutral shall occur.

Any insurance committee member shall be granted time off from their assigned duties with Washoe County to attend the hearing at the County's expense. No overtime costs shall be paid to any employee attending the hearing.

(Revised 7-1-10)

3. Health Benefit Premiums

The County agrees to pay one hundred percent (100%) of the premium attributable to the employee coverage.

In the event an employee elects dependent coverage, the County shall pay fifty percent (50%) of the premium for such coverage.

B. Medical Claims Review:

Should there be a dispute over a medical claim under the County's self-funded health plan, it shall be resolved in the following manner. The Insurance Appeals Committee shall first attempt to resolve the dispute. If the dispute remains unresolved, it shall then be referred to the separate arbitration procedure that has been established under the County's self-funded health plan. The aggrieved employee and the County shall each pay one-half (1/2) of the cost of arbitration.

C. Retiree Health Insurance:

1. For those individuals employed by the County between May 3, 1977 and January 13, 1981, the following provisions apply:

(a) The County will pay 50% of the medical insurance premium attributable to the employee for participation in the County's Retiree Health Insurance Program upon the employee's retirement and receipt of benefits from Nevada PERS, provided the employee has at least a total of ten (10) years of full-time County employment.

(b) The County will pay 75% of the medical insurance premium attributable to the employee for participation in the County's Retiree Health Insurance Program upon the employee's retirement and receipt of benefits from Nevada PERS, provided the employee has at least a total of fifteen (15) years of full-time County employment.

(c) The County will pay 100% of the medical insurance premium attributable to the employee for participation in the County's Retiree Health Insurance Program upon the employee's retirement and receipt of benefits from Nevada PERS, provided the employee has at least a total of twenty (20) years of full-time County employment.

The payments specified in a, b, and c, above, will be made in accordance with and are subject to all applicable laws in effect at the time of the employee's retirement, and are contingent upon the employee being medically eligible to be reinstated into the County's Retiree Health Insurance Program if there has been a break in coverage under the County's Health Plan.

2. For those employees hired on or after January 13, 1981, the provisions listed in Section C.1. above, are applicable except that in order to receive the retiree health insurance benefits an individual must be an employee of Washoe County immediately prior to drawing retirement benefits.

3. The parties recognize that the cost of retiree health insurance should be considered a current benefit earned and paid for during an individual's employment with the benefit simply being deferred until retirement. Based upon this, the parties further recognize that the funding of the retiree health insurance program must be addressed during the period of employment of active employees in order to try and ensure the fiscal integrity of the program in the future and in order to try and ensure that the benefit upon retirement can be provided. Additionally, the parties recognize that the prefunding of the service cost of this program, which is addressed below, only represents a portion of the funding obligations of this program and that the parties will address the unfunded liability portion of this program in the future. At the point in time when the retiree health insurance program is fully prefunded, with no unfunded liability remaining, the retiree health insurance program will be fully considered a current benefit earned and paid for during an individual's employment with the benefit simply being deferred until retirement. With those mutual recognitions and understandings, the parties herein agree to prefund the program annually at the actuarially determined service cost amount attributable to this bargaining unit beginning July 1, 1996. The amount of the service cost attributable to this bargaining unit will be a percentage of the number of employees represented by the

bargaining unit compared to the number of employees covered under the County's Health Benefit Program.

4. For those employees hired on or after September 17, 1997 through June 30, 2010 the County will pay the portion of the medical insurance premium associated with the State PEBP Retiree Health Insurance plan for non-state employee. The parties recognize the 2003 Nevada Legislature passed legislation (AB286) that afforded public employees of Nevada political subdivisions the opportunity to enroll, upon their retirement, in the Public Employees Benefit Program (PEBP) health insurance plan. The 2003 legislation, also obligated public employers of said retiree who enrolled in

the plan to pay a portion of the medical premium on the retiree's behalf. In recognition of this statute, the County agrees, in lieu of making said payment to PEBP which option is currently not open to County retirees, to provide the payment on the retiree's behalf towards their Washoe County retiree medical insurance premium owed, with Medicare becoming primary and Washoe County becoming secondary upon Medicare eligibility, should they elect to remain in the County Retiree Health Plan. In order to receive the retiree health insurance benefits an individual must be an employee of Washoe County immediately prior to drawing retirement benefits. The parties acknowledge that the PEBP medical premium payment level is set annually by the State.

5. For those employees hired after June 30, 2010, there will be no medical health care contribution by the County.

(Added 7-1-10)