
CITY OF MINNEAPOLIS

And

**INTERNATIONAL ASSOCIATION OF
MACHINISTS AND AEROSPACE WORKERS,
DISTRICT LODGE NO. 77, AFL-CIO
(Machinists)**

**LETTER OF AGREEMENT
2019 Health Plan**

WHEREAS, the City of Minneapolis (hereinafter “City”) and the International Association of Machinists and Aerospace Workers, District Lodge #77 (hereinafter “Association”) are parties to a Collective Bargaining Agreement that is currently in force; and

WHEREAS, the Parties desire to provide quality health care at an affordable cost for the protection of employees, which requires a modification to the current Collective Bargaining Agreement as it relates to the funding of the Health Plan beginning January 1, 2019;

NOW, THEREFORE BE IT RESOLVED, that the parties agree as follows for the period January 1, 2019 through December 31, 2019:

1. The City will offer a medical plan with five (5) provider options. Medica Elect is a managed care model, Medica Choice is an open access model, and Fairview, North Memorial, HealthEast Vantage with Medica, Park Nicollet First with Medica and Ridgeview Community Network are accountable care organizations (ACOs). Medica Self-Insured (“Medica”) is providing certain administrative services, including claims processing, for all plan options
2. The City will continue a dual medical premium equivalent system that provides incentives for wellness program completion. The monthly medical premium equivalents for subscribers who earn the required wellness program points by August 31, 2018 (the “wellness premium equivalents”) will be lower than the premium equivalents for subscribers who do not earn the required wellness program points by August 31, 2018 (the “standard premium equivalents”). Any changes to the wellness program requirements as described in the 2018 *My Health Rewards by Medica* brochure which is attached hereto and incorporated herein will be agreed upon by the Benefits Sub-committee of the Citywide Labor Management Committee. For 2019, the “wellness premium equivalent” will also apply to all employees who are newly enrolled in the medical plan after June 1, 2018.
3. For the period January 1, 2019 through December 31, 2019, the City will pay \$560.00 per month for employees who elect single coverage under the medical plan. For the period January 1, 2019 through December 31, 2019, the City will pay \$1,522.00 per month for employees who elect family coverage under the medical plan. The total monthly rate and the respective employer and employee monthly contributions for the period for the period January 1, 2019 through December 31, 2019 are as set forth below.
4. The City will continue the Health Reimbursement Arrangement (“the HRA”) which was established January 1, 2004 to provide reimbursement of eligible health expenses for participating employees, their spouse and other eligible dependents; and the Voluntary Employees’ Beneficiary Association Trust (the “Trust”) through which the HRA is funded.
5. The Plan shall be administered by the City or, at the City’s sole discretion, a third party administrator.

**City of Minneapolis
2019 Monthly Medical Plan Rates**

FINAL

<i>Full Time Employees</i>							
Medical Plan	Full Cost	City Cost	City Semi-Mthly	Employee Contribution	Employee Semi-Mthly	HRA/VEBA Contribution	Annual HRA Contribution
Wellness Rates							
Medica Elect							
Single	\$610.00	\$560.00	\$280.00	\$50.00	\$25.00	\$90.00	\$1,080.00
Family	\$1,712.00	\$1,522.00	\$761.00	\$190.00	\$95.00	\$190.00	\$2,280.00
Medica Choice							
Single	\$656.00	\$560.00	\$280.00	\$96.00	\$48.00	\$90.00	\$1,080.00
Family	\$1,832.00	\$1,522.00	\$761.00	\$310.00	\$155.00	\$190.00	\$2,280.00
Medica ACO 1 Fairview, North Memorial, HealthEast							
Single	\$584.00	\$560.00	\$280.00	\$24.00	\$12.00	\$90.00	\$1,080.00
Family	\$1,632.00	\$1,522.00	\$761.00	\$110.00	\$55.00	\$190.00	\$2,280.00
Medica ACO 2 Park Nicollet							
Single	\$566.00	\$560.00	\$280.00	\$6.00	\$3.00	\$90.00	\$1,080.00
Family	\$1,586.00	\$1,522.00	\$761.00	\$64.00	\$32.00	\$190.00	\$2,280.00
Medica ACO 3 Ridgeview							
Single	\$566.00	\$560.00	\$280.00	\$6.00	\$3.00	\$90.00	\$1,080.00
Family	\$1,586.00	\$1,522.00	\$761.00	\$64.00	\$32.00	\$190.00	\$2,280.00
Standard Rates							
Medica Elect							
Single	\$656.00	\$560.00	\$280.00	\$96.00	\$48.00	\$90.00	\$1,080.00
Family	\$1,842.00	\$1,522.00	\$761.00	\$320.00	\$160.00	\$190.00	\$2,280.00
Medica Choice							
Single	\$706.00	\$560.00	\$280.00	\$146.00	\$73.00	\$90.00	\$1,080.00
Family	\$1,972.00	\$1,522.00	\$761.00	\$450.00	\$225.00	\$190.00	\$2,280.00
Medica ACO 1 Fairview, North Memorial, HealthEast							
Single	\$626.00	\$560.00	\$280.00	\$66.00	\$33.00	\$90.00	\$1,080.00
Family	\$1,752.00	\$1,522.00	\$761.00	\$230.00	\$115.00	\$190.00	\$2,280.00
Medica ACO 2 Park Nicollet							
Single	\$608.00	\$560.00	\$280.00	\$48.00	\$24.00	\$90.00	\$1,080.00
Family	\$1,706.00	\$1,522.00	\$761.00	\$184.00	\$92.00	\$190.00	\$2,280.00
Medica ACO 3 Ridgeview							
Single	\$608.00	\$560.00	\$280.00	\$48.00	\$24.00	\$90.00	\$1,080.00
Family	\$1,706.00	\$1,522.00	\$761.00	\$184.00	\$92.00	\$190.00	\$2,280.00