

**Memorandum of Agreement
By and Between
City of Tacoma and
Tacoma Police Union, Local 6**

Date: December 13, 2013

The parties agree to the following regarding health and welfare benefits for calendar year 2014:

1. For the calendar year 2014, the City will offer two medical insurance plans, a Regence PPO Plan and a Group Health Options Plan.
2. Changes in the Regence PPO plan design include:
 - Increase Out-Of-Pocket Maximum to \$1,500 individual / \$3,000 Family
 - Increase Emergency Room Copay to \$150 (waived if admitted)
 - Change Rx to 20% coinsurance up to: \$5 generic, \$35 Formulary Brand, \$60 Non-Formulary Brand
3. Changes in the Group Health Options Plan design include:
 - Increase Out-Of-Pocket Maximum to \$1,500 individual / \$3,000 Family
 - Increase Emergency Room Copay to \$150 (waived if admitted)
4. Employees will continue to contribute \$40 per month towards premium costs for employee only coverage, \$80 per month towards premium costs for employee plus dependent coverage.
5. The City and employees will take a one-month rate holiday in January 2014 during which neither the City nor employees will be responsible for paying additional money into the City's Health Care Trust. In event that 2013 year-end reserves in the Trust exceed the City's 12-week reserve requirement by more than \$8 million, the City and employees will take a second rate holiday in December 2014. The holiday(s) is intended to use excess reserves currently in the Fund to offset health care cost increases.
6. The City shall contribute 100% of the premium for dental and vision insurance coverage per month for all eligible employees.
7. The Labor Management Health Care Committee (aka Wellness Committee) will meet twice a month beginning in January 2014. The Wellness Committee will be comprised of four (4) City and four (4) Labor representatives. The purpose of the meeting will be to complete the following tasks jointly:
 - a. The committee will meet to develop strategy; this will be completed by February 2014.
 - b. Develop monthly or bimonthly newsletters to help educate and encourage the City employees.

