Letter of Agreement
by and between
City of Tacoma
and
Tacoma Police Union Local 6, I.U.P.A.
Commissioned Bargaining Unit

Subject: Agreement to Modify Appendix C of the Collective Bargaining Agreement

This Letter of Agreement ("LOA") is entered into between the City of Tacoma and the Tacoma Police Union Local 6 ("Union") on behalf of its Commissioned bargaining unit (collectively "the Parties").

The Parties hereby enter into a Letter of Agreement as follows:

A. Effective January 1, 2026, the parties agree Appendix C of the Parties' Collective Bargaining Agreement (CBA) will be amended as follows:
   1. Plan design changes to the Regence BlueShield health plans in response to state mandates, as outlined in Attachment A.
   2. Carrier-directed plan design changes to the Kaiser Permanente HMO health plan in response to carrier requirements, state mandates, and optional federal changes, as outlined in Attachment B.

B. Effective October 1, 2025, the parties agree Appendix D - City of Tacoma Wellness Program will be amended to reflect City-implemented enhancements as outlined in Attachment C.

CITY OF TACOMA

City Manager Date

Human Resources Director Date

Finance Director Date

LOCAL 6, I.U.P.A.

President Date

APPROVED AS TO FORM:

City Attorney Date

Attest:

City Clerk

APPENDIX C

REGENCE MEDICAL	2026-2027	
Medical Benefit	**PPO** **Preferred Network/Participating Network/ Out of Network**	**HDHP/HSA** **Preferred Network/Participating Network/ Out of Network**
Deductible (Amount the employee pays)	$250 Individual (waived for office visits) $500 Family (waived for office visits)	$2,000 Individual $4,000 Family
Coinsurance (Employee share of the cost of a covered service unless specified otherwise)	10%/ 40%/ 50%	20%/40%/50%
Office Visits – Illness or Injury (Amount the employee pays)	$20 office visit copay/ 40% after $20 copay / 50% after $20 copay	After deductible 20% / 40% / 50%
Telemedicine (through MD Live)	$10 copay	After Deductible 20%
Out-of-Pocket Maximum: Includes deductible, Coinsurance and Copays (Amounts the employee pays)	$1,500 Individual $3,000 Family	$3,000 Individual $6,000 Family
Preventive Care (Amount the employee pays)	0% / 0%/ 50% Not Subject to Deductible	0% / 0%/ 50% - Not Subject to Deductible
Professional (Amount the employee pays)	After Deductible 0% / After Deductible 40% / 50%	After Deductible 20% / After Deductible 40%/ After Deductible 50%
Emergency Room Copay (Amount the employee pays)	After $150 copay and Deductible 10% / 10% / 10% (Facility) After Deductible 0% / 0% /0% (Professional)	After Deductible 20%/20%/20% (Facility) After Deductible 20%/20%/20% (Professional)
Hospital Stay (Amount the employee pays)	After Deductible 10% /40%/ 50% (Facility) After Deductible 0% / 40%/ 50% (Professional)	After Deductible 20% / 40%/ 50% (Facility) After Deductible 20%/ 40%/ 50% (Professional)
Outpatient Surgery (Amount the employee pays)	After Deductible 10% / 40%/ 50% (Facility) After Deductible 0% /40%/ 50% (Professional)	After Deductible 20% / 40%/ 50% (Facility) After Deductible 20%/ 40%/ 50% (Professional)
Lab/X-Ray (Amount the employee pays)	After Deductible 0% / 40%/ 50%	After Deductible 20% / 40%/ 50%
Vision Exam/Schedule	No hardware	No hardware

REGENCE MEDICAL	2026-2027		
Medical Benefit	**PPO** **Preferred Network/Participating Network/ Out of Network**	**HDHP/HSA** **Preferred Network/Participating Network/ Out of Network**	
Pharmacy (Amount the employee pays)	100% coinsurance up to the following for a (30 day) supply: Generic: $5 Max Brand - Formulary: $35 Max Brand - Non-Formulary: $60 Max Specialty - Formulary: $75 Max Specialty - Non-Formulary: $150 Max Mail Order: 90 days for 2 copays *Low Value Drug Exclusion List added to exclude high-cost drugs that have a lower cost alternative	Retail or Mail Order – Up to 90 day supply and up to 30 day supply for covered self-administrable injectable medication. After Deductible 20% - member may be balance billed when non-participating pharmacy is used. *Rx list includes drugs in certain categories that will not be subject to the plan deductible. It includes generic medications and formulary brand-name medications specifically designated for treatment of chronic diseases. *Low Value Drug Exclusion List added to exclude high-cost drugs that have a lower cost alternative	
HSA IRS Annual Contribution Limits* (2026 limits shown)	N/A	**$4,400/8,750*** **(Employee Family)**	
City Annual Contributions to Health Savings Account **(prorated per pay period)**		EE Only **$825 w/o Wellness** **$1,650 with Wellness**	EE+Family **$1,650 w/o Wellness** **$3,300 with Wellness**
Monthly Employee Premium Contributions (Single/Family)	$50/$100	$50/$100	

***Annual limits are subject to change by the IRS.**

'ermanente	2026-2027
Medical Benefit	**HMO** **In Network**
Deductible (Amount the employee pays)	$100 - Individual $200 - Family
Coinsurance (Employee share of the cost of a covered service - unless specified otherwise)	N/A
Copay (Amount the employee pays)	$10 Primary/ $20 Specialist copay + Deductible
Out-of-Pocket Maximum: Includes deductible,	$1,500 Individual
Coinsurance and Copays (Amounts the employee pays)	$3,000 Family
Preventive Care (Amount the employee pays)	$0 Not subject to Deductible
Professional (Amount the employee pays)	$10 Primary, $20 Specialist copay + Deductible
Emergency Room Copay (Amount the employee pays)	$150 copay + Deductible Note: only ER services are available out of network for HMO plan
Hospital Stay (Amount the employee pays)	$100 copay x 3 days + Deductible
Outpatient Surgery (Amount the employee pays)	$100 copay + Deductible
Lab/X-Ray (Amount the employee pays)	Inpatient: covered under Hospital Services Outpatient: $0 + Deductible

Kaiser Permanente	2026-2027
Medical Benefit	**HMO** **In Network**
Vision Exam/Schedule (Amount the employee pays) (Amount the plan pays)	Annual Exam (1 visit every 12 months) $10 copay, Deductible Waived $150 Hardware Allowance (Every 12 months) - Deductible Waived
Pharmacy (Amount the employee pays)	Kaiser Permanente (30 day supply): Generic $5/ Preferred Brand $25/ Non-Preferred Brand $50 Mail order: 2x for 90 day supply
Monthly Employee Premium Contributions (Single/Family)	$50/$100

Regence: Alignment with State Standards

ATTACHMENT A

Gender Affirming Treatment	Diagnostic and Supplemental Breast Examinations	Hearing Instruments and Services	Reproductive Health Care Services	Pharmacy	Travel Benefit for Transplants	Durable Medical Equipment
• Prohibits health insurance carriers from applying categorical cosmetic or blanket exclusions to gender affirming treatment • Carriers are allowed to use appropriately reasonable medical management techniques	• PPO plan: In-network services are not subject to deductible or coinsurance • HSA plans: In-network services are subject to deductibles, and then covered at 0% member cost share • Coverage from out-of-network providers under both plans will continue to be covered at regular plan cost shares	• Coverage added for hearing instruments, including bone conduction hearing devices, the initial assessment, fitting, adjustment, auditory raining and ear molds • Coverage added at no annual or lifetime limit, Benefit limited to one hearing instrument per ear with hearing loss every 36 months*	• PPO plan: Termination of Pregnancy benefit will be covered at 0% member cost share from in-network providers • HSA plans: In-network services are subject to deductibles, and then covered at 0% member cost share • The above cost shares also apply to termination of pregnancy medications (misoprostol and mifepristone)	• All plans: Member cost shares for all insulins on the drug list are reduced to a copayment cap of $35/30-day supply or $105/90-day supply when purchased at a retail or home delivery • All plans: Member cost share for epinephrine autoinjectors on the PPO plan reduced to a copayment cap of $35/two pack, up to a 30-day supply; HSA plan subject to IRS minimum deductible, then copayment cap of $35/two pack, up to a 30-day supply • HIV post-exposure prophylaxis drugs covered following possible exposure to HIV without pre-authorization or member cost share; PPO plan: In-network services are not subject to deductible or coinsurance • HSA plan: In-network services are subject to deductibles, and then covered at 0% member cost share	• All plans: modify benefit to cover only medical expenses allowed under IRS • Commercial lodging will be $50/night for the claimant and $100/night for the Claimant and companion(s) • Transportation expenses to and from the treatment area include only commercial coach class airfare, commercial coach class train fare or auto mileage (calculated per IRS medical expense allowances) • Coverage does not include meals or expenses outside of transportation and lodging	• All Plans: Continuous glucose monitors will be covered subject to member cost share; Non-therapeutic CGMs are now covered

*Note: above changes are aligned with changes on Kaiser

Regence Enhanced Care Management

ATTACHMENT A

	Current Care Management	Care Management Plus - Voluntary $7.00 PEPM
Clinical Team	Designated team including Care Advocate, RN case manager, Pharmacist, Behavioral health clinician, Medical director	Dedicated RN case manager, plus designated team for Pharmacist, Behavioral health clinician, Medical director
Nurse-to-Member Staffing Ratio	1:65k (shared)	1:7,500 (dedicated)
Identification triggers (Examples below):	Standard	Expanded
• High Cost Claimant Threshold (12-month cumulative)	$125K	$50K + $25K single claim (medical or BH)
• BH High Cost Claimant Threshold (12-month cumulative)	None	$25K
• High-cost Rx / month	$10K	$5K
• Chronic Conditions	All poorly managed chronic conditions	All chronic conditions
• Cancer	Primary admit	Multiple triggers
• Inpatient Stays	Long length of stays	Admission

ATTACHMENT B

One Big Beautiful Bill and Kaiser 2026 Required Changes

The following outlines additional changes for 2026:

	Current Benefit	Proposed Benefit
One Big Beautiful Bill		
Dependent Care FSA	• Individual: $5,000 • For married couples filing separately: $2,500 • Amounts not indexed for inflation	• Individual: $7,500 • For married couples filing separately: $3,750 • Amounts not indexed for inflation
Pre-deductible telehealth services	• Not covered pre-deductible on the High Deductible Health Plan (HDHP)	• HSA-qualifying HDHPs are allowed to cover telehealth on a pre- or no-deductible basis • The City will cover telehealth on the HDHP pre-deductible and subject to coinsurance
Kaiser Required Changes		
Diagnostic breast exams	• Services were covered at 0%-member cost share for all members, including those with a cancer diagnosis	• For members with a cancer diagnosis, services will be subject to regular plan cost shares from all providers • Additional diagnostic breast examinations for members without a cancer diagnosis will continue to be covered at 0%-member cost share
Hormone replacement therapy prescriptions supply	• Members are eligible for a 30 or 90 day supply	• Members are eligible for a full 12-month supply of prescription hormone therapy obtained at one time, unless a smaller supply is requested by the member or provider • The copay or coinsurance is based on each 30-day supply
Hearing aids	• Hearing aids covered up to a $3,000 maximum per ear during any consecutive 36-month period	• Hearing aids covered up to one device per ear every 36-month period

ATTACHMENT C

APPENDIX D

City of Tacoma Employee Wellness Program

The Wellness Program annual incentive period runs from Oct. 1 of one year through Sept. 30 of the following year. Employees must earn 25,000 points by the Sept. 30 deadline to qualify for the wellness incentive for the next calendar year (Jan.1).

There is an array of activities that employees can complete to earn the required 25,000 points as provided in the Personify Health platform:

2025 - 2026 Wellness Incentive Requirements
Goal: 25,000 points

Ways to Earn the 2027 Wellness Incentive

Earn 25,000 points between Oct. 1, 2025 and Sept. 30, 2026

Create an account @ join.personifyhealth.com/cityoftacoma.

Access Personify Health @ app.personifyhealth.com.

ACTIVITY

INTERVAL	ACTION	PROGRESS	POINTS
DAILY	Take 1,000 steps in a day		10
	Take 2,000 steps in a day		20
	Take 3,000 steps in a day		30
	Take 4,000 steps in a day		40
	Take 5,000 steps in a day		50
	Take 6,000 steps in a day		60
	15 active minutes in a day		70
	Work out for 15 minutes in a day		70
	Take 7,000 steps in a day		70
	Take 8,000 steps in a day		80
	Take 9,000 steps in a day		90
	30 active minutes in a day		100
	Work out for 30 minutes in a day		100
	Take 10,000 steps in a day		100
	45 active minutes in a day		140
	Work out for 45 minutes in a day		140
	Take 14,000 steps in a day		140
MONTHLY	20-Day Triple Tracker: 7,000 steps/15 active minutes/15 workout minutes	0 / 20	400
	20-Day Triple Tracker: 10,000 steps/30 active minutes/30 workout minutes	0 / 20	500
ONETIME	Connect first activity device		200

CARDS

INTERVAL	ACTION	PROGRESS	POINTS
DAILY	Do your Daily Cards	0 / 2	0 / 40
MONTHLY	Complete 10 Daily Cards in a month	0 / 10	100
	Complete 20 Daily Cards in a month	0 / 20	200

CHALLENGES

INTERVAL	ACTION	PROGRESS	POINTS
MONTHLY	Unlock a stage in a staged challenge	0 / 50	0 / 1250
	Post a chat comment at least once a week for all weeks of the challenge		50
	Create a team in the company challenge and recruit enough players to fill it		50
	Reach 10% of your challenge goal		50
	Reach 25% of your challenge goal		50
	Reach 50% of your challenge goal		50
	Reach 75% of your challenge goal		50
	Reach final destination in the destination challenge		100
	Track at least once a week for all weeks of the challenge		100
	Join the company challenge		100
	Join personal challenge		100
	Reach 100% of your challenge goal		100
	Reach 110% of your challenge goal		100
	Reach final stage in a staged challenge		100
	Creating a personal challenge		150
	First Place Individual (Average Daily Steps)		150
	Second Place Individual (Average Daily Steps)		150
	Third Place Individual (Average Daily Steps)		150
	First Place Team (Average Daily Steps)		150
	Second Place Team (Average Daily Steps)		150
	Third Place Team (Average Daily Steps)		150
	Win the promoted healthy habit challenge		200
QUARTERLY	Add friend outside your company		100
GAME	Unlock a destination in the destination challenge		25

CUSTOM

INTERVAL	ACTION	PROGRESS	POINTS
PROGRAM	Attend a City of Tacoma wellness webinar or onsite seminar	0 / 12	0 / 3000
	Complete a certified weight management program	0 / 4	0 / 4000
	Complete your annual physical		2500

GENERAL

INTERVAL	ACTION	PROGRESS	POINTS
QUARTERLY	Set your interests		100
ANNUALLY	Invite a colleague to join	0 / 5	0 / 250
PROGRAM	Complete Nicotine-Free Agreement		100
	Set a wellbeing goal		200

JOURNEYS

INTERVAL	ACTION	PROGRESS	POINTS
DAILY	Complete a Journey Step		30
PROGRAM	Complete a Journey	0 / 12	0 / 1800

MEDIA

INTERVAL	ACTION	PROGRESS	POINTS
MONTHLY	Complete a video or audio experience from your library	0 / 4	0 / 100

MY CARE CHECKLIST

INTERVAL	ACTION	PROGRESS	POINTS
PROGRAM	Complete 3 preventive care activities		500

NUTRITION

INTERVAL	ACTION	PROGRESS	POINTS
DAILY	Browse healthy recipes via Zipongo		10
	Daily calorie tracking via MyFitnessPal		20
WEEKLY	Favorite a recipe via Zipongo		10
	Add a recipe to Grocery List via Zipongo		10
MONTHLY	Track calories 10 days in a month via MyFitnessPal	0 / 10	200
	Track calories 20 days in a month via MyFitnessPal	0 / 20	300
QUARTERLY	Choose your eating type via the Nutrition Guide		250
ONETIME	Connect My Fitness Pal		100

ONETIME

INTERVAL	ACTION	PROGRESS	POINTS
ONETIME	Add a profile picture	✓	100
	Complete registration	✓	100
	Add 5 friends	✓	250
	First login to mobile app	✓	250

RECOGNITION

INTERVAL	ACTION	PROGRESS	POINTS
MONTHLY	Give a shoutout		100
	Receive a shoutout		100

SLEEP

INTERVAL	ACTION	PROGRESS	POINTS
DAILY	Track sleep nightly		20
	Sleep > 7 hours in a night		50
	Track sleep manually		70
MONTHLY	Track sleep 10 days in a month	0 / 10	100
	Track sleep 20 days in a month	0 / 20	200
	Sleep > 7 hours 20 days in a month	0 / 20	500
GAME	Choose your sleep profile via the Sleep Guide		250

SURVEY

INTERVAL	ACTION	PROGRESS	POINTS
PROGRAM	Completing the Health Check survey		2500

TRACKING

INTERVAL	ACTION	PROGRESS	POINTS
DAILY	Track your Healthy Habits	0 / 3	0 / 30
MONTHLY	Track Healthy Habits 10 days in a month	0 / 10	200
	Track Healthy Habits 20 days in a month	0 / 20	300
ONETIME	First time tracking Healthy Habits 5 days in a month		100

Important Note: In addition to the above ways to earn, you can also reach out to your Wellness Coordinator at wellness@cityoftacoma.org to receive a **voucher** for participation in a community physical activity-related event. You can redeem up to **six vouchers** during the program year for participating in a 5K—9.99K and/or 10k+ event for 200 and 400 points each, respectively.

Program Changes - Media Library

Employees can earn 25 points (100 points max) for watching (four) videos each month.