

Human Resource Services

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September 4, 2012

Honorable Board of Supervisors  
Administration Building  
Oakland, CA 94612

**CONTINUED FROM** *Item #18*  
Tuesday, 9/18/12

**Subject: Salary Ordinance Amendment an Administrative Code Amendment and One Sideletter of Agreement**

**SECOND READING**

Dear Board Members:

**Recommendation:**

That your Board adopt a Salary Ordinance amendment (1) amending Article 7, to clarify the intent of certain benefits provisions for Unrepresented Non-Management related to SEIU employees and (2) to adopt an Administrative Code amendment to authorize a change in the employee's share of premium costs for HMO Medical Insurance to 10 percent, and that the County will pay 90% of the lowest cost HMO towards the PPO Plan, for Unrepresented Non-Management related to SEIU, Intermittent, Services-As-Needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Pool (TAP) employees and (3) to adopt one sideletter of agreement.

**Discussion/Findings:**

In July 2012, you approved 90/10 premium cost sharing and a County contribution to the Unrepresented Non-Management related to SEIU employees. We are recommending the 90/10 cost sharing be extended to the Unrepresented Non-Management related to SEIU Intermittent, Services-As-Needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Pool (TAP) employees.

Effective Plan Year 2013, Unrepresented Non-Management related to SEIU Intermittent, Services-As-Needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Pool (TAP) employees that have elected medical coverage will pay 10% of the medical premiums for all HMO plans, prorated for the hours worked and the County will pay 90% of the lowest cost HMO towards the PPO plan, prorated based on hours worked.

We are also recommending that your Board authorize Unrepresented Non-Management related to SEIU, Unrepresented related to SEIU Intermittent, Services-As-Needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Pool (TAP) employees who are eligible, to voluntarily elect the County's Vision Service Plan. Total premiums will be paid by the employee, as there is no County cost.

Additionally, we are recommending that your Board approve a sideletter of agreement between your representatives and representatives of SEIU, that allow employees that are represented by SEIU, effective Plan Year 2013, to participate in the County's Health Flexible Spending Account. As such, we are also recommending that this same provision be extended to those Unrepresented Non-Management related to SEIU employees excluding the Unrepresented related to SEIU Intermittent, Services-As-Needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Pool (TAP) employees.

**Financing:**

Funds are available in the 2012-2013 budget appropriation to pay the costs of these actions.

Very truly yours,




Mary Welch, Interim Director  
Human Resource Services

MW:vb

Z:\Board Letters\09.18.12Unrep Non-Management SAN &TAP EE's

C: County Administrator  
Auditor-Controller  
County Counsel  
Agency/Department Heads

Approved as to Form  
DONNA ZIEGLER, County Counsel

By  \_\_\_\_\_

AN ORDINANCE AMENDING  
CERTAIN PROVISIONS OF THE 2011 – 2012  
ALAMEDA COUNTY SALARY ORDINANCE

The Board of Supervisors of the County of Alameda ordains as follows:

**SECTION I**

**The Introduction to Article 7**, of Ordinance Number 0-2011-4 of the County of Alameda is hereby amended by the amendment thereof of the following paragraph:

Article 7 – Provisions Applicable to Persons in Classifications Designated SE, EM, SM, PA, CA, MA, or M and only as specifically mentioned in certain provisions to employees represented by the Probation Peace Officers' Association in Representation Units 001 and 076 and by the Union of American Physicians and Dentists in Representation Units 018 and 024 and Unrepresented Non-Management classes related to SEIU represented employees except for Unrepresented related to SEIU Intermittent, Services-As-Needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Pool (TAP) employees.

**SECTION II**

**Section 7-1 Application**, of Ordinance Number 0-2011-4 of the County of Alameda is hereby amended by the amendment thereof of the following paragraph:

This Article shall also apply, only as specifically mentioned in certain provisions, to unrepresented non-management classes related to SEIU represented employees except for Unrepresented related to SEIU Intermittent, Services-As-Needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Pool (TAP) employees.

**SECTION III**

**Section 7-9, Cafeteria Benefit Plan: Purpose**, of Ordinance Number 0-2011-4 is hereby amended by the amendment thereof of the following paragraph:

Effective January 1, 2013, Cafeteria Benefit Plan: Allocation of Benefits, for unrepresented non-management classes related to SEIU represented employees except for Unrepresented related to SEIU Intermittent, Services-As-Needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Pool (TAP) employees read as follows:

Prior to January 1 of each year, and within the first 30 days of employment in the case of a new employee, the employee may allocate the plan amount towards eligible benefit accounts. Failure of the

employee to allocate benefits within the stated time frame will result in all funds being allocated to the Health Care expense account. Except in the case of a termination and reinstatement or a change in dependent status, no change may be made in this allocation during the calendar year and any sums remaining unspent at the end of the year, are county funds.

#### SECTION IV

**Section 7-10, Cafeteria Benefit Plan: Amount of Allocable Money**, of Ordinance Number 0-2011-4 of the County of Alameda is hereby amended by the amendment thereof of the following paragraphs:

Effective January 1, 2013, each unrepresented non-management related to SEIU, full time employee, except for Unrepresented related to SEIU Intermittent, Services-As-Needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Pool (TAP) employees, is eligible for a cafeteria benefit plan in the amount of \$900 for the calendar year. This amount shall be prorated in advance of the calendar year for employees regularly scheduled to work less than full-time based upon the hours which the employee has been regularly scheduled to work. Employees hired after January 1<sup>st</sup> shall be entitled to a prorated amount based upon the number of pay periods to be worked full-time

An employee appointed mid-year shall be entitled to a prorated amount based upon the number of pay periods to be worked during the remainder of the calendar year, except that employees appointed during the two last full pay periods, and any following partial pay period, prior to December 31 shall not be eligible for plan benefits until the following calendar year. The maximum sum available to employees who reinstate shall not exceed \$900 minus the sum of cafeteria plan benefits received by the employee during any previous portion of the calendar year.

#### SECTION V


**Section 7-11, Cafeteria Benefit Plan: Contribution of Salary**, of Ordinance Number 0-2011-4 of the County of Alameda is hereby amended by the addition thereto of the following paragraph:

Effective January 1, 2013, each eligible Unrepresented Non-Management related to SEIU employee, except for Unrepresented related to SEIU Intermittent, Services-as-needed (SAN), Unrepresented related to Management, Unrepresented related to Physician and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Pool (TAP) employees, may through payroll deduction, contribute to his/her cafeteria benefit plan in order to pay for plan benefits with pre-tax salary. The maximum employee contribution shall be \$2,500 and indexed in subsequent years pursuant to the Patient Protection and Affordable Care Act, and IRS regulations.

#### SECTION VI

This ordinance shall take effect immediately, and before the expiration of fifteen days after its passage, shall be published once with the names of the members voting for and against the same in the Inter-City Express, a newspaper published in the said County of Alameda.

Approved as to Form  
DONNA ZIEGLER, County Counsel

By  \_\_\_\_\_

AN ORDINANCE AMENDING  
CERTAIN PROVISIONS OF THE  
ALAMEDA COUNTY ADMINISTRATIVE CODE

The Board of Supervisors of the County of Alameda ordains as follows:

**SECTION I**

**Section 3.64.050** – County Contribution, of Chapter 3.64 Employee Health and Welfare Benefit Program, is hereby amended by the amendment thereof of the following paragraph:

Effective February 1, 2013, for unrepresented non-management related to SEIU employees, including Unrepresented related to SEIU Intermittent, Services-as-needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Poll (TAP) employees, the County and covered employees will share in the cost of health care premiums. The County will pay ninety (90) percent of the total premium for a health maintenance organization (HMO) plan and the County will pay (90) percent of the lowest cost HMO towards the total premium of the PPO plan, prorated each pay period based on the proportion of the paid hours within the pay period to the normal full time hours for the job classification, provided further that the employee is on paid status at least (50) percent of the normal full-time pay period for the job classification.

1. The County shall contribute (90) percent of the total premium for an HMO at the corresponding level of coverage (i.e., Self, Self + 1 Dependent, Family) in a plan year.
2. The County shall contribute (90) percent of the total premium of the lowest cost HMO toward the total monthly premium of the PPO plan at the corresponding level of coverage (i.e., Self, Self + 1 Dependent, Family) in a plan year.

**SECTION II**

**Section 3.64.060** – County Contribution for Intermittent and Employees Regularly Scheduled to Work Less than Full-time, of Chapter 3.64 Employee Health and Welfare Benefit Program, is hereby amended by the amendment thereof of the following paragraph:

Effective February 1, 2013, for unrepresented non-management related to SEIU employees including Unrepresented related to SEIU Intermittent, Services-as-needed (SAN), Unrepresented related to Management, Unrepresented related to Physicians and Dentist Services-As-Needed (SAN), Unrepresented classes that don't receive regularly scheduled adjustments and Temporary Assignment Poll (TAP) employees regularly scheduled to work less than full-time, the County's contribution towards the providers premium shall be ninety (90) percent of the lowest cost total monthly premium for health maintenance organization (HMO) prorated each pay period based upon a proportion of the hours the employee is on paid status within that pay period to the normal full-time pay period for the job classification, provided that the employee must be on paid status at least (50) percent of the normal full-

time bi-weekly pay period for the job classification. Part-time employees, who choose the PPO/Indemnity plan, will receive (90) percent of the lowest cost HMO towards the total monthly premium, prorated based upon the number of hours paid for in the pay period.

### **SECTION III**

This ordinance shall take effect immediately, and before the expiration of fifteen days after its passage, shall be published once with the names of the members voting for and against the same in the Inter-City Express, a newspaper published in the said County of Alameda.

Z\Board Letters\09.18.12 SEIU Non-Management EE's

**SIDELETTER OF AGREEMENT  
BETWEEN  
THE NORTHERN CALIFORNIA PUBLIC SECTOR REGION, LOCAL 1021  
OF THE SERVICE EMPLOYEES INTERNATIONAL UNION, CTW  
AND  
THE COUNTY OF ALAMEDA**

**HEALTH FLEXIBLE SPENDING ACCOUNTS**

Effective January 1, 2013, subject to the applicable requirements of the Internal Revenue Service, eligible employees may, through payroll deductions, contribute to a Health Flexible Spending Account (FSA) in order to pay for qualified unreimbursed health care expenses with pre-tax salary. The annual maximum employee salary contribution for a Health FSA shall be \$2,500.

During the Open Enrollment period prior to January 1st of each year, and within the first 30 days of employment in the case of a new employee, the employee may allocate from his/her salary, on a pre-tax basis, an amount to the Health FSA. Except as governed by the Cafeteria Plan Document, no change may be made in the allocation during the calendar year, and any sums remaining unused at the end of the year, including the employee pre-tax salary contribution amount, shall become County funds.

Reimbursement may be made for qualifying health care expenses within the meaning of Section 213(d) of the Internal Revenue Code (e.g., out-of-pocket medically necessary medical, dental, and vision care expenses, including deductibles and co-insurance payments), provided that such expenses were incurred during the period of coverage and paid for by the employee and eligible family members, and not reimbursed or paid under the employee's medical or dental plans or any other applicable personal or group health care plan. Participating employees must comply with all applicable County administrative procedures.

**FOR THE COUNTY:**

Cynthia Barton

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**FOR SEIU:**

[Signature]

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**DATE:** 8/31/12