Introduced by: Mayor Cleworth
Date: December 3, 2012

ORDINANCE NO.5910

AN ORDINANCE AMENDINGTHE2012 COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITYAND THE FAIRBANKSFIRE FIGHTERS UNION

BE IT ORDAINED by the City Council of the City of Fairbanks,

Section 1. The City Council hereby ratifies the attached amendment to the Collective Bargaining Agreement providing for a change in employee health care plan.

Section 2. This Ordinance is effective December 10, 2012.

Jerry Cleworth, Mayor

AYES: Gatewood, Walley, Eberhart, Matherly, Staley, Hilling
NAYS: None
ABSENT: None
ADOPTED: December 10, 2012

ATTEST:

Janey Hovenden, CMC, City Clerk

APPROVED AS TO FORM

Paul J Ewers, City Attorney

LETTER OF AGREEMENT

The City of Fairbanks

and

Fairbanks Fire Fighters Union[1],

Health Care Plan Amendment

Concept and Purpose: Section 5.6 of the 2012 Collective Bargaining Agreement ("CBA") provides that Union members participate in the Public Safety Employee Association ("PSEA") health care plan; subsection 5.6F provides that a different plan may be selected by mutual agreement of the parties. The Union desires to terminate participation in the PSEA plan and enroll in the Northwest Fire Fighters Trust ("NWFFT") plan. This agreement amends the CBA to accomplish this change.

The parties agree as follows:

1. The Union's request to terminate participation in the PSEA health care plan and enroll in the NWFFT plan is not an action "attributable to the City" within the meaning of CBA Section 5.6D. The City had no role in the research or selection of the NWFFT plan, and is unaware of the financial strength or future prospects of the plan. The Union agrees to waive any claims against the City that arise from the selection of the plan, including any claims that arise from the performance of the plan, including that of the plan administrator and its employees, agents and officials; and

2. The City has no control over the terms, coverage or costs of the NWFFT plan; and

3. As soon as can be accomplished without a gap in coverage after mutual ratification, Members will be enrolled in the NWFFT health care plan and premiums will be paid to that plan rather than the PSEA plan.

4. That CBA Section 5.6 is amended as follows [new text **underlined & bold**; deleted text in ~~strikethrough~~ font]:

5.6 Health Insurance

A. The City shall provide the Members of the Fairbanks Fire Fighters **Union**~~Association~~, Local 1324 and their dependents with a group insurance program for life insurance, health, dental, audio and visual care insurance. The City will not unilaterally withdraw from the **NWFFT** ~~PSEA~~ plan. The current plan, administered by the **NWFFT** ~~Public Safety Employee Association Trust~~ (and subject to changes that the Trust may make), or any other plan established under Section 5.6, will not be replaced without prior notice to the ~~Association~~ **Union**. In the event of plan

[1] The City has been notified of the name change from "Association" to "Union" and incorporates that change throughout.

replacement, the parties agree to negotiate over the economic effects of the plan change and, in the event of an impasse, to utilize mediation and binding arbitration, provided that such the arbitrator will not have the authority over the City's choice of plan.

B. Starting the first month following the effective date of this agreement, the City will contribute $1,000 per member per month towards health care plan costs, with members paying the excess premiums by monthly pre-tax payroll deduction. On August 16, 2012, the City contribution will increase to $1,040 per member per month. The parties agree to re-open negotiations on section 5.6 in 2013 for January 1, 2014. In addition, in the event the parties agree to select a replacement health care provider or health care plan, negotiations on section 5.6 will re-open.

C. Effective 1/1/12, the employer funded IRS Section 125 plan shall be terminated. The City will continue to offer an employee-funded IRS Section 125 plan.

D. If the ~~Association~~ **Union** is removed from the **NWFFT** ~~PSEA~~ health care plan for reasons attributable to the City, the City shall provide members with a substantially comparable health care plan and member co-pay amounts for premiums shall not be increased beyond $300.00 per month per employee.

E. Cost of mandated job related physical examinations, tests, and immunizations shall not be included in health care costs for purposes of establishing plan costs or billed to employee health care plans.

F. Should the City and Association choose to participate in an acceptable alternative health care plan, the parties agree to pursue the implementation of said plan if mutually agreeable.

G. All ~~Association~~ **Union** members will participate in the Medical Expense Reimbursement Plan, administered thru DiMartino Associates. The City will pay $100 a month per employee towards the plan's monthly premium.

Effective this 11 day of December 2012

For the City of Fairbanks:

Jerry Cleworth, Mayor

Warren B. Cummings, Fire Chief

Patrick Cole, Chief of Staff

For the Fairbanks Fire Fighters Union

Dominic Lozano, President

Scott Raygor, Vice President

Brian Davis, Negotiator

Northwest Fire Fighters
NWFF
Benefits Trust | Dental Trust

FOR OFFICE USE ONLY
Life/DI: ☐ Yes ☐ No
MERP: ☐ Yes ☐ No
Group #: _____

Administered by Benefit Solutions, Inc.
PO Box 6, Mukilteo, WA 98275
Ph: (866)265-5231 Fax: (866)614-6577
Email: NWFFT@bsitpa.com

NORTHWEST FIRE FIGHTERS BENEFITS TRUST – DENTAL TRUST
MASTER APPLICATION FOR INSURANCE COVERAGE

Company Information:

Legal Name of Employer/City:	Requested Effective Date:	Employer/City Tax ID Number (TIN/EIN):
City of Fairbanks		92-6000149

Billing Address (street, city, state, zip): 800 Cushman St. Fbks. AK 99701

Shipping Address (if different):

Billing/Eligibility Contact: Denise Kendrick / Shannon Hicks (and)
Phone: 459-6709 / 459-6704
Fax: 459-6722
Email: dkendrick@ci.fairbanks.ak.us / shicks@ci.fairbanks.ak.us

MEDICAL Coverage – Regence BlueShield

~~LEOFF 1~~	LEOFF 2 *(if different from LEOFF 1)*
ACTIVE MEMBERS	
PPO Plans: ☐ PPO $50 ☐ PPO $100 ☐ PPO $200 ☐ PPO $200A ☒ PPO $500 ☐ PPO $750 ☐ PPO $1000 ☒ PPO $1500	**PPO Plans:** ☐ PPO $50 ☐ PPO $100 ☐ PPO $200 ☐ PPO $200A ☐ PPO $500 ☐ PPO $750 ☐ PPO $1000 ☐ PPO $1500 (N/A)
HSA Plan: ☐ HSA $1500	**HSA Plan:** ☐ HSA $1500 (N/A)
RETIREES (Under Age 65) (Note: Medicare Supplemental and/or Medigap Plans will be available for Retirees Age 65 and Older)	
PPO Plans: ☐ PPO $50 ☐ PPO $100 ☐ PPO $200 ☐ PPO $200A ☒ PPO $500 ☐ PPO $750 ☐ PPO $1000 ☒ PPO $1500	**PPO Plans:** ☐ PPO $50 ☐ PPO $100 ☐ PPO $200 ☐ PPO $200A ☐ PPO $500 ☐ PPO $750 ☐ PPO $1000 ☐ PPO $1500
HSA Plan: ☐ HSA $1500 RETIREE expense @ their option.	**HSA Plan:** ☐ HSA $1500

DENTAL Coverage – ODS

LEOFF 1	LEOFF 2 *(if different from LEOFF 1)*
ACTIVE MEMBERS	
☐ PPO 1500 (WA Only) ☐ PPO 2000 (WA Only) ☒ Classic 1500 ☐ Classic 2000 ☐ Premier 1500 ☐ Premier 2000 ☐ Incentive	☐ PPO 1500 (WA Only) ☐ PPO 2000 (WA Only) ☐ Classic 1500 ☐ Classic 2000 ☐ Premier 1500 ☐ Premier 2000 ☐ Incentive
Orthodontics Options – Adult/Child: ☐ 50%/$1000 Max ☐ 50%/$2000 Max	**Orthodontics Options – Adult/Child:** ☐ 50%/$1000 Max ☐ 50%/$2000 Max

Coverage Underwritten by:

Medical Insurance Benefits Underwritten by:
Regence BlueShield; 1800 Ninth Avenue; PO Box 21267; Seattle, WA 98101
Dental Insurance Benefits Underwritten by:
The ODS Companies; 601 SW 2nd Avenue; Portland, OR 97204

Regence ODS Alaska

This data is for IAFF members only. PBC

COBRA and FMLA	
X YES* ☐ NO	COBRA: Did your organization employ 20 or more full and/or part-time employees for at least 50% of the workdays of the preceding calendar year, and is it subject to federal COBRA laws? *Please note that, if you select YES, COBRA Administration will be provided by Benefit Solutions, Inc. for terminating members. If you already use a COBRA Administrator please provide the name of your administrator:* _____
X YES ☐ NO	FMLA: Did your organization employ 50 or more full and/or part-time employees during each of the 20 calendar weeks in the current or preceding calendar year, and is it subject to federal TEFRA Laws?
42	Affordable Care Act Required Information: Please enter the average number of employees that were employed by your organization during the prior calendar year (January – December). This count should include: full-time, part-time, seasonal and union employees that work inside or outside the state and employees in any state from any affiliated organization.

Participation, Contribution and Eligibility		
Participation, Contribution and Eligibility Requirements	Minimum 100% Member Participation of all eligible members (unless covered elsewhere, waiver required) Minimum 75% Employer Contribution for all Member Coverage Minimum 20 hours per week, administered on a non-discriminatory basis, based on conditions of employment. ***Bargained Employees follow CBA guideline when applicable.***	
Per CBA	**Bargained Employees**	**Non-Bargained Employees** N/A
Employer Contribution:	Member: _____% Dependent: _____%	Member: _____% Dependent: _____%
Eligibility	_____ hours per week	20 hours per week
Probationary Period	X Date of Hire (DOH)* ☐ 1 Month ☐ 2 Months ☐ 3 Months	☐ Date of Hire (DOH)* ☐ 1 Month ☐ 2 Months ☐ 3 Months
* Date of Hire (choose one)	X Effective date will always be 1st of month following DOH, even if DOH is the 1st of the month ☐ Effective date will be 1st of the month following DOH, with the exception of when the DOH is the 1st of the month	☐ Effective date will always be 1st of month following DOH, even if DOH is the 1st of the month ☐ Effective date will be 1st of the month following DOH, with the exception of when the DOH is the 1st of the month
Applies to (choose one)	X Current and Future Eligible Members ☐ Future Members Only	☐ Current and Future Eligible Members ☐ Future Members Only
If transferring from PT to FT status, the probationary period should be:	Not Applicable	☐ Retroactive to the original DOH ☐ Begin on the date transferred to FT status

Group Participation	Bargained	Non-Bargained
Total number of members on payroll regardless of hours worked. (Do not include COBRA participants)	47	
(-) Less members working fewer than the minimum hours required	(-) 6	
(-) Less members not in an eligible class	(-) 0	
(-) Less members who have not completed the probationary period	(-) 6	
(-) Less members paid via IRS For 1099, temporary, seasonal or substitute members	(-) 0	
(-) Less members completing waiving coverage because they are covered by TRICARE (CHAMPUS)	(-) 0	
(-) Less members waiving coverage because they are covered by a spouse's or parent's similar group medical plans (Waiver Form required) *Proof of coverage required if participation falls below minimum required*	(-) 6	
(-) Less members waiving coverage because they are covered by Medicare as primary, at the request of the Medicare enrollee *Proof of coverage required if participation falls below minimum required*	(-) 0	
Equals total number of members eligible to enroll	41	
Number of member applications being submitted		
Number of members covered by your group under provisions of COBRA		

N/A

Section 125 Plans

Do you provide:	Bargained Employees	Non-Bargained Employees
Premium Only Plan	☐ Yes ☐ No	☐ Yes ☐ No
Flexible Spending Account (FSA)	☐ Yes ☐ No	☐ Yes ☐ No
Dependent Care Assistance Program (DCAP)	☐ Yes ☐ No	☐ Yes ☐ No

Domestic Partner Eligibility

Bargained Employees	Non-Bargained Employees
☐ Covered on Affidavit Basis	☐ Covered on Affidavit Basis
☐ Follow State Regulations (Affidavit Required)	☐ Follow State Regulations (Affidavit Required) N/A
☒ Other: NOT AT THIS TIME - NOT COVERED	☐ Other:
(if Other, please provide copy of definition)	(if Other, please provide copy of definition)

Bargaining Language

Please provide a copy of your Bargaining Language with this Master Application.

Anti-Fraud Statement

I have provided these answers as part of the application procedure required by the issuer to enroll in coverage and I certify that all information completed on this form is true, correct, and complete. It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits. I understand that the issuer will rely on each answer in making coverage and rating determinations. If the issuer continues the Contract with the Group after untrue, incorrect, or incomplete information is found to have been provided, and if as a result of correcting false information the Group no longer qualifies for the Rate quoted, I understand that the issuer will have the right to adjust the rates to the appropriate level retroactive to the date the misrepresentation occurred, and the Group will be required to pay the Rate adjustment within 30 days of the date of notice by the issuer. In addition, the issuer will have the right to collect any claims payments or other damages.

Signature Section:

Employer Representative:

[signature] 12-11-12

Signature *Date*

PATRICK B. COLE Chief of STAFF, City of Fairbanks

Printed Name and Title of Employer Representative

Trust Representative:

Signature *Date*

Printed Name and Title of Trust Representative

Northwest Fire Fighter Benefits Trust (NWFFT)
Benefit Plan Comparison
Prepared For: Fairbanks Fire Fighters

Benefits	Alaska Heritage Plus	NWFFT - Plan $500	NWFFT - Plan $1,500
Lifetime Maximum	Unlimited	Unlimited	Unlimited
Deductible	$300 per person / $900 per Family	$500 per person / $1,000 per Family	$1,500 per person / $3,000 per Family
Maximum Coinsurance	$2,000 per person / $4,000 per Family	$2,000 per person / $4,000 per Family	$500 per person / $2,000 per Family
Office Visit Copay	$25 Copay; then 100%	$15 Copay; then 100%	$20 Copay; then 100%
Physician Inpatient (surgery, diagnostic procedures, etc)	90% after Ded.	80% after Ded.	80% after Ded.
Emergency Room	$100 Copay per visit; then 90% after Ded.	$100 Copay per visit; then 80% after Ded.	$100 Copay per visit; then 80% after Ded.
Chemical Dependency	90% after Ded.	80% after Ded.	80% after Ded.
Home Health Care	90% after Ded.	80% after Ded.	80% after Ded.
Mental Health Services	Inpatient/Outpatient: 90% after Ded.	Inpatient/Outpatient: 80% after Ded.; Ded. Waived for outpatient services	Inpatient/Outpatient: 80% after Ded.; Ded. Waived for outpatient services
Rehabilitation Services (Outpatient)	90% after Ded.; $25 Copay then 100% if in an office setting	80% after Ded.; up to 25 visits PCY	80% after Ded.; up to 25 visits PCY
TMJ	Benefit Summary does not specify	80% after Ded.	80% after Ded.
Prescription Drugs	$10 Generic / $30 Brand	$5 Generic / $25 Formulary / $50 Non-Formulary	$5 Generic / $25 Formulary / $50 Non-Formulary
Vision Exam	Benefit Summary does not specify	100% no copay	100% no copay
Benefits	**Alaska Heritage Plus**	**NWFFT - PPO 1500**	**NWFFT - PPO 1500**
Annual Maximum	$1,500	$1,500	$1,500
Class I - Preventive	100%	100%	100%
Class III - Major	50%	50%	50%
TMJ			
Cost	**Alaska Heritage Plus**	**NWFFT - Plan $500/PPO 1500**	**NWFFT - Plan $1,500 / PPO 1500**
Employer Contribution	-1,040.00	-1,040.00	-1,040.00
Annual Premium Contribution - Member	6,480.00	5,002.44	3,598.56

This benefit comparison is only a summary of the benefits and not intended to replace the specifics of the Plan Contract. If there is a discrepency, the Plan Contract will supercede this summary.

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