

November 10, 2021

B. HEALTH AND WELFARE BENEFITS (p55)

1. MEDICAL BENEFITS

a. Eligibility

- (1) All employees who are regularly scheduled to work 20 or more hours per week are eligible for medical benefit coverage.
- (2) Medical benefit coverage is effective the first day of the month following eligibility (e.g., date of hire, benefit eligible status, etc.). Initial coverage under flexible benefit plans is temporary, basic medical coverage. The selected medical coverage and other benefits in the flexible benefit plan will be effective the first day of the month following three months of benefit-eligible service.

b. Basic Comprehensive Plan

1. Kaiser Foundation Health Plan, Inc.

(KFHP) has established a national account to enable the Employers to act as a national purchaser of health care benefits. The parties agree that discussions concerning any changes in benefits or benefit coverage contemplated by KFHP, Inc. should be joint and should be initiated no less than six months prior to the effective date of any proposed changes, and that such discussions should be conducted no less than three months prior to the new effective date.

Effective January 1, 2019, IUOE Local 501 will transition to the Southern California non-flex HMO plan. Other than IUOE Local 501, there will be no changes to active medical benefits for Alliance members in any region in 2019.

There shall be no changes to the Colorado active medical flex plans covering IUOE Local 1, UFCW Local 7 Professionals, and UFCW Local 7 Mental Health during the term of this agreement.

There shall be no changes to the active medical plans applicable to UFCW Local 21 Pharmacy and UFCW Local 21 Pro Tech in Washington during the term of this agreement. UFCW Local 21 Pharmacy and UFCW Local 21 Pro Tech hereby withdraw from the KP Washington benefits coalition effective with the reopener negotiations for the January 1, 2022, active medical plans.

Effective January 1, 2020, the parties agree that all eligible employees in the Georgia, Northwest, Southern California and Mid-Atlantic States regions shall transition to the regional non-flex HMO plans with a \$10 office visit co-pay based on a "Kaiser Foundation

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Health Plan Traditional HMO Plan," as described in Exhibit 2.B.1.b. There shall be no cost share for these plans except as noted below:

- The 2018 Mid EPO premium cost-sharing methodology will apply to the Georgia region plan (no cost sharing for employee-only coverage for full-time employees.)
- The existing premium cost-sharing methodology will apply to the Mid-Atlantic States region plan. The Mid-Atlantic States Point of Service plan will be available to employees who remain active in the plan subject to Section 2.B.1.f.
- The 2018 flex Plan B cost-sharing methodology will apply in the Northwest region (no cost sharing for full-time employees). All eligible employees subject to fixed-premium cost sharing under a local agreement will remain subject to the fixed-premium cost sharing. Part-time eligible employees (20 or more scheduled hours and less than 32 scheduled hours) in OFNHP Professionals, OFNHP Lab Professionals and ILWU Local 28 who are actively covered by flex Plan C or flex Plan D during 2019 will have no premium cost sharing beginning January 1, 2020. During December 2019, OFNHP Professionals, OFNHP Lab Professionals and ILWU Local 28 employees actively covered by flex Plan B during 2019 will have a "2019 net medical credit amount" calculated, if any. The "2019 net medical credit amount" is the sum of actual net medical credits provided to employees enrolled in Plan B in 2019 based on actual coverage level and scheduled hours per month during 2019. In March of 2020 and 2021, each eligible employee with a "2019 net medical credit amount" will receive a taxable lump sum equal to that amount.
- **Effective January 1, 2022 the imaging, lab tests and special procedures copays for KPNW will be eliminated and be covered at 100%.**
- **Effective January 1, 2022, the hospital admission copay for KPGA will be reduced from \$250 per admission to \$100 per admission.**
- **Effective January 1, 2022, the out-of-pocket maximum for KPMAS will be reduced from \$3500 for individual and \$9400 for family to \$1500 for individual and \$3000 for family.**

For all options, emergency room visit copays for active employee medical plans will be as follows:

- California and Northwest: \$50
- Georgia, Mid-Atlantic States and Colorado: \$100

It is understood that if a member is admitted as a result of an emergency room visit, the emergency room copay will be waived.

This provision will supersede any contrary provisions in the local collective bargaining agreements.

