

“INSURANCE PREMIUM SHARING GROUP PSG (F953) INFORMATION”

(This group of retirees are those who retired after 9/12/11)

***** A request was sent on 2/21/15 asking for the dates of change in regards to our retiree groups. *****

(The following is the explanation from (e-mail received 2/23/15) City Ins. Rep. J. Kim (PSG-F933))

Hi Don,

Fire had a partial settlement 5/12/2009; I believe this is also the CC ratification date. This partial settlement had 10% premium sharing for active employees, plan design changes to be consistent with GRPOA 312 award dated 12/17/2008, and new hires to go into RHSA instead of the defined benefit retiree health care.

Back in 2009 our understanding was that newly retired (after 5/12/2009 partial settlement) Fire retirees would “float” with the Actives in regards to health care plan design changes since the partial settlement called for plan design changes consistent with GRPOA 312 award. Therefore, back in 2009 we created a new Meritain division called “F953” to separate out the Fire retirees after 5/12/2009 (for if and when there is a change to Actives, we can make the mirroring changes to F953 and not have it affect the Fire retirees retired prior to 5/12/2009).

Moving forward a couple of years, I believe the issue of retirees floating with the Actives went to arbitration and an award dated 9/12/2011 was issued allowing retirees to float with the Actives. Moving forward again a few years to late 2014, when we learned that the plan design was changing for Actives, we sent a letter out to the Fire retirees in F953 since their benefits were about to be changed effective 1/1/2015. As a result of this letter, we received concerns from a few Fire retirees including concerns from you also.

The remaining retirees in F953 are the ones retired after 9/12/2011 (312 award) and for this group we instructed Meritain to change the benefits to mirror that of the Actives (with the 1/1/2015 changes).