

UO Mediation Proposal 10/18/2019, 7:15pm

Article 24: Health Insurance

Cost Sharing:

Premium increase 0-4%: 95% UO / 5% GTFF (previously 0-2%)

Marginal Premium increase 4-6%: 60% UO / 40% GTFF (previously 2-3%)

Marginal Premium increase 6-8%: 20% UO / 80% GTFF (previously 3-5%)

Marginal Premium increase 8%+: 0% UO / 100% GTFF (previously 5+%)

Incentive Structure:

For any yearly premium increase less than 4%, the Union may do one of the following:

- ~~• Option (1): For every dollar (\$1.00) saved relative to 4% premium increase, UO shall contribute ninety cents (\$0.95) to the GTFF Health and Welfare Trust Reserve~~
- Option (1): For every dollar (\$1.00) the University saves relative to 4% premium increase, the total pool used to supplement GE minimum salary shall be increased by ninety cents (\$0.90).
- Option (2): For every dollar (\$1.00) the University saves relative to 4% premium increase, UO shall contribute thirty cents (\$0.30) to a fund (to be determined by the parties) designed to offset the impact of changes to benefits and the total pool used to supplement GE minimum salaries shall be increased by sixty cents (\$0.60).

For any yearly premium increase less than 2%, the Union may do one of the following:

- ~~• Option (1): For every dollar (\$1.00) saved relative to 2% premium increase, UO shall contribute ninety cents (\$0.95) to the GTFF Health and Welfare Trust Reserve~~
- Option (1): For every dollar (\$1.00) the University saves relative to 2% premium increase, the total pool used to supplement GE minimum salaries shall be increased by an extra \$.20 for a total of \$1.10 per \$1.00 saved by the University
- Option (2): For every dollar (\$1.00) the University saves relative to 2% premium increase, UO shall contribute an extra five cents (\$.05) to a fund (to be determined by the parties) designed to offset the impact of changes to benefits for a total of thirty five cents (\$0.35) and the total pool used to supplement GE minimum salaries shall be increased by an extra fifteen (\$.15) for a total of seventy five cents (\$0.75)

The percentage cost savings is calculated as 4% minus the average percentage increase for each category (employee, employee+spouse, etc) weighted by the previous year's health care costs in each category. This percentage is then multiplied by the total health care cost to the University in the prior year. This isolates the cost savings to the actual impact of the rate increases rather than basing it on random fluctuations of the number of GEs covered or the mix of plan types (e.g., employee only, family).

Changes to salary and changes to health insurance costs are permanent.

Other Proposals

All other proposals remain as proposed in UO Final Offer.