

**Proposed Memorandum of Agreement Between
The Town of Natick and
All Collective Bargaining Units representing employees employed by the
Town of Natick ("the Unions")**

The terms of this agreement will be in effect from July 1, 2018 through June 30, 2021

WHEREAS, the Town of Natick (the "Town") currently provides health insurance benefits to its eligible subscribers through participation in a collaborative known as the West Suburban Health Group (WSHG); and

WHEREAS, the Town and the Public Employees' Committee (PEC) have agreed to the following terms that will, if implemented, allow the Town to remain a member of WSHG; and

WHEREAS, the Town and the Unions by mutual acceptance of this Agreement acknowledge and affirm that said Agreement shall supersede and void any conflicting provisions in any Collective Bargaining Agreements (CBAs), and the parties mutually agree that the Town under the terms of MGL Chapter 32B section 19 and pursuant to a majority vote of the (PEC) have satisfied all of its bargaining obligations relating to the subjects of this Agreement:

NOW THEREFORE, the Town and the PEC ("the parties") agree as follows:

- 1) This Agreement will be for a three year period commencing July 1, 2018 and ending June 30, 2021. The PEC acknowledges and agrees that this Agreement shall be implemented by the Town if approved by weighted majority vote of the PEC comprised of Collective Bargaining Units of the Town and ratified and executed by the Board of Selectmen
- 2) The parties to this Agreement agree that the Board of Selectmen may, and are hereby authorized to, rescind the acceptance of MGL Chapter 32B section 19 at any time.
- 3) The parties agree that effective July 1, 2018 the Town will contribute 75% toward the cost of the premium for the lowest priced Limited Provider Network benchmark health insurance plan (Benchmark) and High Deductible health insurance plan (HDHP) for both family and individual plans and the lowest priced General Provider Network Benchmark and HDHP for both family and individual plans.

- 4) The parties agree that effective July 1, 2018, the Town will contribute 62% toward the cost of all other Benchmark and HDHP family and individual plans.
- 5) The Town's contribution to the Harvard Pilgrim PPO plan shall remain at 50%. The Town's contribution towards all Medicare supplement plans shall remain at 50%.
- 6) The Town shall continue to maintain a Flexible Spending Account program for eligible employees and shall continue to pay the administrative fee for all employees enrolled in the FSA. The Town will offer a debit card for all FSA subscribers. Notwithstanding any other terms in this Agreement, this provision shall sunset effective June 30, 2021 unless the Town in its sole discretion elects to continue the FSA program. Note that the FSAs are not available to subscribers of HDHPs.
- 7) The Town shall establish a Health Savings Account (HSA) program for all employees/non-Medicare retirees enrolled in a HDHP. The Town shall annually contribute to the HSA; \$1000 for an individual plan and \$2000 for a family plan. Payments to the HSA will be made in two equal amounts as follows: for FY 2019 – on or about the 15th of July and December; For FY 2020 – in the first pay period of the months of October and March; and, for FY 2021 – in the first pay period of the months of October and March. Employees who enroll mid-term will receive the first HSA payment on the next scheduled payment date and receive the second payment within sixty (60) days. Employees who start after all scheduled payment dates will receive a lump sum payment during the pay period following his/her start date. The Town shall pay the administrative fee for all employees enrolled in a HSA. Notwithstanding any other terms of this Agreement, the Town's contribution pursuant to this section shall sunset effective June 30, 2021.
- 8) The parties agree that in order to maintain eligibility for health care coverage from the Town of Natick, all subscribers (including those who are not changing their health care provider) must select a health insurance plan during the open enrollment period for FY 2019 health care coverage.
- 9) Should the West Suburban Health Group (WSHG) disband for any reason during the term of this Agreement, this Agreement shall become null and void and the Parties shall negotiate a new agreement pursuant to MGL Chapter 32B, sections 21-23 or MGL Chapter 32B, section 19, subject to the Board of Selectmen's acceptance of said statutes. If WSHG votes any other changes in health care coverage that affect this Agreement the Parties will meet to negotiate amendments to the Agreement regarding said changes.
- 10) The Town and the Union agree to promote subscribers' understanding of these health insurance changes through the use of direct mailings or emails and distribution of other promotional materials to the Town's employees and other impacted subscribers. In addition, the Town will schedule a minimum of 12

seminars to present information about all offered health insurance programs and be available to answer questions. Such seminars will be scheduled at various locations and times in an effort to make them as convenient as possible for employees to attend; no additional compensation will be offered to employees attending these seminars.

- 11) The Town will offer a three-year "opt-out" program for employees who have been enrolled in a Town health benefit plan for at least one year prior to the date the employee opted out, in accordance with the program details provided on the Opt-Out Form. The Town will make a payment of up to \$2,000 for those on the individual plan or a payment of up to \$4,500 for those on a family plan pursuant to the program details in the Opt-out form in June of each plan year. If an employee opts out for less than 12 months the payment will be pro-rated. Any employee who at any time received payment under the 2016 PEC Agreement effective July 1, 2016 to June 30, 2018 will receive additional payments that, when added to any payments received under the 2016 PEC Agreement, equals three years of payment during the term of the agreement.
- 12) Any and all provisions of any collective bargaining agreement relative to health insurance rates, contribution rates or policies between the Town or School Committee and any bargaining unit shall be superseded by the terms of this Agreement.
- 13) The parties agree that the Town will hold semi-annual meetings with the Insurance Advisory Committee and the members of the Public Employee Committee will be invited to said meetings.
- 14) The parties agree that the Town will commence applicable payroll deductions in June, 2018 for the insurance coverage scheduled to commence on July 1, 2018.
- 15) If this agreement is not extended or renewed or if the parties cannot reach an alternative agreement, health insurance offered by the Town shall retain the premium contribution breakdowns specified in paragraph three of this agreement.
- 16) The parties agree that the Town will budget \$60,000 in each fiscal year covered by this agreement for a "Continuity of Care Mitigation Fund." The Mitigation Fund is established for the purpose of helping employees/non-Medicare retirees and their covered family members who, at the time of open enrollment for the FY 2019 coverage year, are receiving active treatment by a primary specialist that specializes in a defined practice and that specialist is not covered within the Fallon Select network.

For these purposes, the terms "active treatment", "serious condition" and "primary specialist" are defined as follows:

- o Active treatment: treatment following an inpatient stay or outpatient

procedure for recovery or rehabilitation for a serious disease. It may include continuing care for a serious disease that requires diagnostic tests or adjustment of medications or treatments that occur and are scheduled every six months or sooner. Continuing care that occurs at intervals greater than every six months would not qualify as active treatment. It may also include an inpatient procedure for a serious disease scheduled no later than July 1, 2018. Active treatment does not include preventive services or services to monitor a patient's condition after the patient completes treatment for a serious disease.

- Active treatment shall also include mothers who give birth before July 1, 2018 if the mother requires postpartum care and the mother's care provider(s) is not covered under the Fallon Select plan/network.
 - Serious condition: one that is life threatening or could lead to a serious or permanent disability if left untreated.
 - Primary specialist (may include but not limited to): a primary medical specialist in the following fields or practice; cardiologist, endocrinologist, gastroenterologist, hematologist, oncologist, maternal fetal medicine, neonatologist, neurologist, nephrologist, orthopedist, urologist, medically necessary plastic surgeon, pediatric specialist.
 - An employee/retiree/covered family member who believes he/she is eligible for this benefit is obligated to apply for Fallon Select coverage and pursue Fallon Transitional Care. Should continuation of the existing care be denied, pursue all available appeals in an effort to gain authorization from Fallon Select for continued treatment and care prior to the close of the open enrollment period for FY 2019 health insurance coverage.
 - For employees who qualify for the Mitigation Fund, the Town will pay a stipend equal to the difference between 25% vs. 38% of the cost of the non-Fallon plans. If the costs under this provision exceed the \$60,000 appropriation during any fiscal year covered by this agreement, the funds will be distributed on a pro-rata basis.
 - In FY 2020 and 2021, the Town will budget an appropriate amount based on FY 2019 obligations under this provision, not to exceed \$60,000.
- 17) The parties agree that the Town will budget \$40,000 in FY 2019, FY2020 and FY 2021 for a "Retiree Mitigation Fund." The Retiree Mitigation Fund is established for the purpose of helping non-Medicare eligible retirees who don't qualify for Fallon because they live outside of the Fallon coverage area and who have retired on or before June 30, 2018. An application form will be developed and an

application deadline established. The Town will pay a stipend equal to the difference between 25% vs. 38% of the cost of the non-Fallon plans. At the conclusion of the application period, if it is determined that the amount owed to eligible retirees exceeds the amount of the Retiree Mitigation Fund, the budgeted amount will be distributed on a pro-rata basis.

- 18) The parties agree that should any provision in this Agreement be found to be illegal or unenforceable then it shall be stricken from the Agreement and the rest of the Agreement shall remain in full force and effect.

Public Employee Committee

Education Association of Natick:

1.) Unit A – Teachers


James Araujo

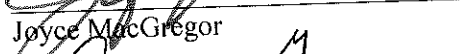
2.) Para Professionals


Nancy Navarro

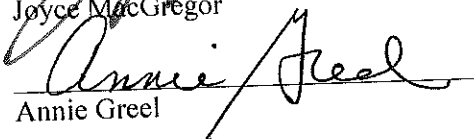
Food Service Workers, Local 1116

Kim Hillard

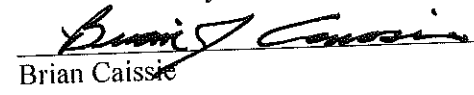

MTA, Administrative Assistants and Clerks

Joyce MacGregor


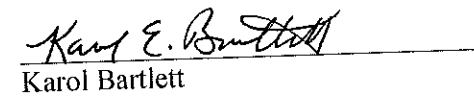
Local Union 1116 Laborers' International Union – Clerical

Annie Greel


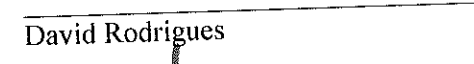
Local Union 1116 Laborers' International Union- Public Works Department

Brian Caissie


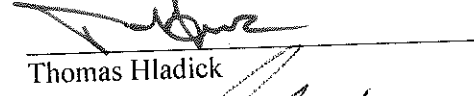
Local Union 1116 Laborers' International Union – Morse Library

Karol Bartlett


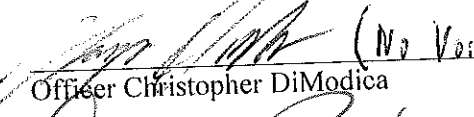
Maintenance and Custodians Local #1116, Facilities Maintenance Employees

David Rodrigues


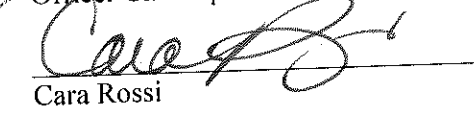
Supervisors' and Administrators' Association

Thomas Hladick


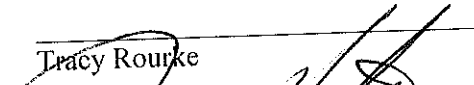
Natick Patrol Officers' Association

Officer Christopher DiModica (No Vote)



N.E.P.B.A., Local 82, I.U.P.A. AFL CIO

Cara Rossi


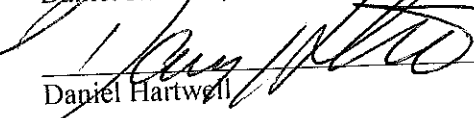
N.E.P.B.A., Local 182 – Dispatchers

Tracy Rourke


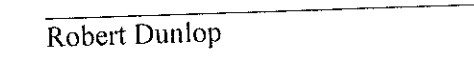
Local 1707, International Association of Firefighters, AFL-CIO

Daniel Hartwell


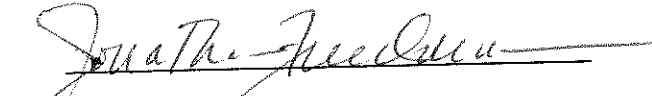
Deputy Fire Chiefs Association

Daniel Hartwell


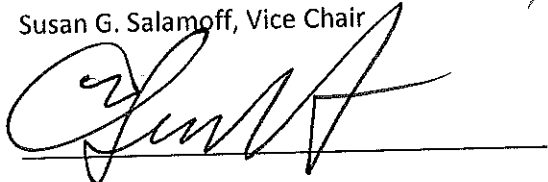
Retiree Representative


Robert Dunlop


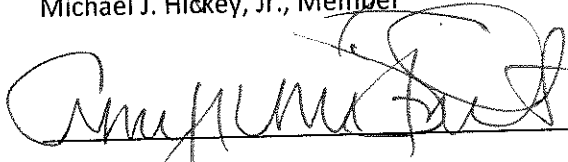
Board of Selectmen


Jonathan Freedman, Chair


Susan G. Salamoff, Vice Chair


Richard P. Jennett, Jr., Clerk


Michael J. Hickey, Jr., Member


Amy K. Mistrot, Member

School Committee

Lisa Tabenkin, Chair

Paul Laurent, Vice Chair

Firkins Reed, Clerk

David Mangan

Julie McDonough

Donna McKenzie

Hayley Sonneborn