

## ***Urgent Update and ACTION:***

# **TAKE ACTION NOW to DECREASE Healthcare Costs**

**Thursday July 18<sup>th</sup> Union representatives** met with management to discuss healthcare plans for 2020 as part of our Labor Management Health Care Committee. We had some big wins. Going into the meeting Labor had two solid demands we agreed not to back away from:

1. return the interest generated from our reserves back to our plan,
2. decrease healthcare costs to members by 2%.

**Standing united and together, Labor won the following:**

1. **The Employer and all unions reached consensus on RECOMMENDING a return of the interest from our plan starting this year.** That means we would get back over 1 million dollars the plan will earn in interest this year. This is nothing more than a recommendation and does not bind County Commissioners to agree to it. **HOWEVER** it represents a huge shift in the employer's position on the matter. Just one month ago they said this could never happen save a change in state law. Our unity between AFSCME and the other unions was the cause of this victory!
2. The Employer, bucking the consensus process and the actuary's recommendation, did not move from their position of no changes to the plan. **HOWEVER Labor, representing 16 different representatives, reached a consensus to recommend the following improvements to our healthcare:**

- 1—**NO** office visit co-pays
- 2— **REDUCE** pharmacy co-pays by 1/2
- 3— **REDUCE** urgent care co-pay to \$35

**No premium holidays for the employer.** (see below for explanation) **Decrease the reserves instead by giving back \$300 to singles/\$600 to families.** This money would either be cash or tax-free into a flex spending account.

Since the Employer and Labor could not reach a consensus the formal process is over.

### **WHY PREMIUM HOLIDAYS are NO GOOD for US!**

The employer is saying they want to not pay premiums for three pay-periods (we would also not pay premiums). This is called a **premium holiday**. That will deprive the plan of more than 14 million dollars. Of this, the employer saves \$11.68 million and all employees with a health plan (9000) would split a savings of 2.74 million. So premium holidays benefit the employer vastly more! (14 million also happens to be the same amount of money we're paying into the plan that we don't need. So essentially they are stealing it from us to give themselves a break.) On the other hand, the 4 items we are asking for above would save our employees about 7 million dollars.

#### **Further information:**

The plan has 55 million dollars in reserve, about 2x more than the mandated reserve we need as a buffer against unexpected claims.

The plan is taking in 11% more money than it's using to cover our healthcare costs. Last year the plan took in 13.7 million more than we used. This year we are on track to add another 14 million or more than we use.

The 34 million excess comes after an 11.3% increase in costs to members over the past two year. The plan is taking in more than it needs.

In the end County Administration has the final decision to make changes to our plan. That means our dollars are in the hands of County Administrator David Hough and County Commissioners.

**TAKE ACTION: CALL County Administrator DAVID HOUGH  
AND YOUR COMMISSIONER Starting July 23rd! Flood their Phone lines!!  
July 30th 1:30 pm: PACK the Commissioner meeting!!  
24th floor Admin Building HC Govt Center**

# TAKE ACTION Now to DECREASE Health Care Costs

**CALL David Hough and Your County Commissioner and say:**

Hi, my name is \_\_\_\_\_. I am a Hennepin County worker and your constituent. I'm calling because we need affordable health insurance now. Our plan has over \$55 million in reserves and we deserve a decrease in costs. In particular, we want: no office visit copays; reduce pharmacy copays by half; reduce urgent care co-pays to \$35. In addition, refund excess money we have paid in, by giving back \$300 for singles and \$600 for families. We want these things instead of a premium holiday that benefits the county vastly more than county workers. Thank you!

**Don't live in Hennepin County? Call Chair Commissioner Chair Marion Greene**

Mike Opat	Irene Fernando	Marion Greene	Angela Conley	Debbie Goettel	Jan Callison	Jeff Johnson
District 1	District 2	District 3	District 4	District 5	District 6	District 7
<b>612-348-7881</b>	<b>612-348-7882</b>	<b>612-348-7883</b>	<b>612-348-7884</b>	<b>612-348-7885</b>	<b>612-348-7886</b>	<b>612-348-7887</b>
Brooklyn Center Brooklyn Park Crystal New Hope Osseo Robbinsdale	Golden Valley Medicine Lake North Mpls NE Mpls SE Plymouth St Anthony	St Louis Park Parts of: SW Mpls Downtown Mpls	Fort Snelling Parts of: E Mpls Downtown Mpls	Bloomington S Eden Prairie Richfield Parts of: Chanhassen	Chanhassen Deephaven N Eden Prairie Edina Excelsior Greenwood Hopkins Long Lake Minnetonka Minn. Beach N Mound Orono Shorewood Spring Park Tonka Bay Wayzata Woodland	Champlin Corcoran Dayton Greenfield Hanover Independence Loretto Maple Grove Maple Plain Medina Minnetrissa S Mound Rogers St Bonifacius NW Plymouth Rockford

**Email** *share your story of how health care costs are affecting you and your family*

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