

April 30, 2025

2025-2027 Contract Negotiations-Insurance Bargaining Union Coalition Opening Proposal

The list (including a summary and the text with changes) of the modifications, clarifications, and additions developed by the Union Coalition for this round of insurance bargaining follows. All Section and text references are to Article 19 - Insurance in the 2023-2025 AFSCME Council 5 contract.

The Union Coalition reserves the right to add, modify, or remove proposals throughout the course of bargaining.

SECTION 1 – STATE EMPLOYEE GROUP INSURANCE PROGRAM (SEGIP)

No changes.

SECTION 2 – ELIGIBILITY FOR GROUP PARTICIPATION

C. Dependents

Un 1. Include employee's domestic partner as eligible for insurance coverage, when employees are able to demonstrate a domestic partnership as defined herein.

1. **Spouse.** The spouse of an eligible employee (if legally married under Minnesota law) or domestic partner. If a domestic partner, employees must demonstrate domestic partnership through an affidavit affirming that the domestic partner is: 18 years or older, not related to the employee, lives with the employee, not currently in a domestic partnership, civil union, or marriage with another person, that the employee and domestic partner are mutually fiscally responsible for one another, and are in a committed relationship of at least six (6) months. For the purposes of health insurance coverage, if that spouse works full-time for an organization employing more than one hundred (100) people....

Un 2. Expand definition of dependent child as eligible for insurance coverage to include a child/children in the care of employees who meet the definition of Indian child as defined in Minnesota Statutes §260.755, subd. 8, or who are under permanency placement as defined in Minnesota Statutes §260C.513.

Un 3. Ensure foster children remain eligible after age 18, i.e., remain eligible for insurance coverage through age 26.

2. Children.

- b. Dependent Child: A “dependent child” includes an employee’s (1) biological child, (2) child legally adopted by or placed for adoption with the employee, (3) step-child, ~~and~~ (4) foster child who has been placed with the employee by an authorized placement agency or by a judgment, decree, or other court order, (5) an Indian child as defined in M.S. 260.755 subd. 8 placed for voluntary placement in a foster home, and (6) a child under permanency placement as defined in M.S. 260C.513. For a step-child to be considered a dependent child, the employee must be legally married to the child’s legal parent or legal guardian. An employee (or the employee’s spouse or jointly) must have permanent, full and sole legal and physical custody of the foster child, or must have been providing such care when the foster child reached the age of eighteen (18).

Un 4. Allow dependent grandchildren to remain eligible for insurance coverage through age 26.

3. **Grandchildren.** A dependent grandchild is an eligible employee’s unmarried dependent grandchild who:
- Is financially dependent upon the employee for principal support and maintenance and has resided with the employee continuously from birth, or
 - Resides with the employee and is dependent upon the employee for principal support and maintenance and is the child of the employee’s unmarried child (the parent) to age ~~nineteen (19)~~ twenty-six (26), ~~or~~
 - Was covered under category a) or b) above before reaching the age of majority and is between the ages of eighteen (18) and twenty-six (26).

If a grandchild is legally adopted or placed in the legal custody of the grandparent, they are covered as a dependent child under Section 2C (2) and (4).

SECTION 3 – ELIGIBILITY FOR EMPLOYER CONTRIBUTION

Un 5. Change eligibility for full employer contribution to 30% time.

**Proposal #5 includes one technical change to Section 2A as follows:*

Section 2. Eligibility for Group Participation

- A. **Employees - Basic Eligibility.** Employees may participate in the Group Insurance Program if they are scheduled to work at least ~~4044~~ 624 hours in any twelve consecutive months, except for: (1) emergency, or temporary classified, or intermittent employees; (2) student workers; and (3) interns.

SECTION 3

- A. **Full Employer Contribution - Basic Eligibility.** Employees covered by this Agreement who are scheduled to work at least ~~seventy-five (75) percent~~ thirty (30) percent of the time are eligible for the full Employer Contribution. This means:

1. Employees who are scheduled to work at least ~~eighty (80)~~ twenty-four (24) hours per pay period for a period of nine (9) months or more in any twelve (12) consecutive months.
2. ~~Employees who are scheduled to work at least sixty (60) hours per pay period for twelve (12) consecutive months, but excluding part-time or seasonal employees serving on less than a seventy-five (75) percent basis.~~

**Proposal #5 also includes technical deletion of partial employer contribution eligibility and technical change to Quarterly Look Back language:*

~~B. **Partial Employer Contribution - Basic Eligibility.** The following employees covered by this Agreement receive the full Employer Contribution for basic life coverage, and at the employee's option, a partial Employer Contribution for health and dental coverages if they are scheduled to work at least fifty (50) percent but less than seventy-five (75) percent of the time. This means:~~

1. ~~Employees who hold part-time appointments and who are scheduled to work at least forty (40) hours but less than sixty (60) hours per pay period for twelve (12) consecutive months.~~
2. ~~Employees who hold part-time appointments or seasonal employees and who are scheduled to work at least one thousand forty four (1044) hours over a period of any twelve (12) consecutive months.~~

~~The partial Employer Contribution for health and dental coverages is seventy-five (75) percent of the full Employer Contribution for both employee only and dependent coverage.~~

~~G. B. **Quarterly Look Back:** Part time unlimited employees who:~~

1. ~~are anticipated to work at least sixty (60) twenty-four (24) hours per pay period in an insurance eligible appointment for three (3) months or who have worked for at least sixty (60) twenty-four (24) hours per pay period in an insurance eligible appointment for three (3) months and who are anticipated to continue to work at that level in an insurance eligible appointment shall be eligible for the full Employer Contribution.~~
2. ~~are anticipated to work at least forty (40) hours but not more than sixty (60) hours per pay period in an insurance eligible appointment for three (3) months or who have worked for at least forty (40) hours but not sixty (60) hours per pay period in an insurance eligible appointment for three (3) months and who are anticipated to continue to work at that level in an insurance eligible appointment shall be eligible for a partial Employer Contribution.~~

Un 6. Permit all seasonal employees who choose to liquidate all or a portion of their accrued vacation and compensatory leave balances in cash to apply those amounts to the balloon insurance payment of employee's share of the premium that occurs when seasonal employees are laid off.

D. C. Special Eligibility.

2. Employees on Layoff.

Seasonal Layoff. The calculation in determining the six (6) months duration of eligibility for an Employer contribution begins on the date the employee is seasonally laid off.

Employees may use accumulated vacation and compensatory leave balances towards payment of the Employee's share of the premium (the "balloon payment") during the period of layoff.

Un 7. Maintain eligibility and existing employer contributions for health /dental coverage for dependents who were covered by a CERP/ERI eligible employee who dies after age 50.

4. Corrections Early Retirement Incentive.

b. Conditions for Eligibility.

1) **CERP Employees Who Are Covered by This Agreement Before July 1, 2009.** CERP Employees who are in a classification covered by this agreement before July 1, 2009 shall be subject to the following conditions for eligibility:

c. Employees eligible to receive an Employer contribution for health and dental coverage immediately prior to taking advantage of the Correctional Employees Retirement Plan (M.S. §§352.91 and 352.911) shall continue to receive an Employer contribution for themselves and their enrolled dependents until the employee attains the age of sixty-five (65). In the event that a retired employee who had elected health and/or dental coverage with eligible dependents dies before attaining the age of sixty-five (65), or a current employee who had elected health and/or dental coverage with eligible dependents dies after the age of fifty (50), the enrolled dependent spouse and/or enrolled dependent child(ren) shall maintain the existing employer contribution for health and/or dental coverages until such time that the employee would have turned age 65.

Un 8. Allow covered dependents to maintain coverage in SEGIP and to receive the full employer contribution until the spouse reaches age 65 or children reach age 26, when covered retiree reaches age 65 and enrolls in Medicare.

g. Once the covered retiree reaches the age of sixty-five (65) and enrolls in Medicare, covered dependents under the age of sixty-five (65) may choose to remain enrolled in SEGIP and will receive the full Employer contribution until the spouse reaches the age of sixty-five (65), or children reach the age of twenty-six (26).

Un 9. Allow employees (covered by Agreement on or after July 1, 2009) in CERP eligible positions who do not meet the requirement for 5 years immediately preceding retirement to be otherwise eligible if they have a minimum cumulative total of 20 years with the State.

Un 10. Time on Union/Association Leave shall not be considered an interruption of the years of service immediately preceding retirement.

- 2) **Employees Who Are Covered by This Agreement on or After July 1, 2009.** Employees who promote, demote, transfer, or who are appointed to a classification covered by this agreement on or after July 1, 2009 shall be subject to the conditions listed directly above in Section 3C4b1) and the following additional conditions for eligibility:
 - a) Employees must have a minimum cumulative total of ten (10) years of service in a classification covered by the Correctional Employees Retirement Plan (M.S. §§352.91 and 352.911) at the time of their date of retirement. Any time spent in a classification that is not covered under the Correctional Employees Retirement Plan (M.S. §§352.91 and 352.911) will not satisfy, and will not be combined with covered time to satisfy, the required time.
 - b) The employee must have been employed in a classification covered by the Correctional Employees Retirement Plan (M.S. §§352.91 and 352.911) for a minimum of five (5) years immediately preceding their date of retirement or for a minimum of twenty (20) years during the duration of their employment with the State of Minnesota. Time spent on Union/Association Leave as a full-time representative of the Union will not be considered an interruption of this period.

Un 11. Retiree Health Insurance for employees who retire at age 60 or older with 15 years of State service to receive a partial Employer contribution of 50% of premiums.

5. **Separated Employees Under M.S. 43A.27.** Consistent with M.S. 43A.27, Subdivision 3a(2), an employee who separates or retires from State service and who, at the time of separation, is eligible for and

receiving the employer contribution for insurance coverage under this article, is at least sixty (60) years of age, and has at least fifteen (15) years of State service will be eligible to receive an Employer contribution of 50% of the total premium for health and dental coverage for themselves and their enrolled dependents until the employee attains the age of sixty-five (65).

SECTION 4 – AMOUNT OF EMPLOYER CONTRIBUTION

No changes.

SECTION 5 – COVERAGE CHANGES AND EFFECTIVE DATES

Un 12. Annual open enrollment for dental coverage.

D. Open Enrollment.

1. **Frequency and Duration.** There shall be an open enrollment period for health coverage and dental coverage in each year of this Agreement; ~~and for dental coverage in the first year of this Agreement.~~ Open enrollment periods shall last a minimum of fourteen (14) calendar days in each year of the Agreement. Open enrollment changes become effective on January 1 of each year of this Agreement. Subject to a timely contract settlement, the Employer shall make open enrollment materials available to employees at least fourteen (14) days prior to the start of the open enrollment period.

SECTION 6 – BASIC COVERAGES

Un 13. Lower mental health office visit co-pays for Benefit Levels 3 and 4 (by \$10).

A. Employee and Family Health Coverage.

2. **Coverage Under the Minnesota Advantage Health Plan.**
 - a. **Benefit Options.**
 - 4) **Advantage Benefit Chart for Services Incurred During Plan Year 2024 and 2025-2026 and 2027.**

| <u>2024 and 2025- 2026 and 2027 Benefit Provision</u> | Benefit Level 1 The member pays: | Benefit Level 2 The member pays: | Benefit Level 3 The member pays: | Benefit Level 4 The member pays: |
|---------------------------------------------------------------|--------------------------------------------|--------------------------------------------|-------------------------------------------|-------------------------------------------|
| Mental health office visit copay | \$0 not subject to the Deductible | \$0 not subject to the Deductible | \$50 <u>\$40</u> | \$70 <u>\$60</u> |

Un 14. Allow employees and covered dependents to continue with specialty care doctors when their (former) referring primary care clinic changes to a higher cost level.

m. **Continuing Care.** If an employee or covered dependent is receiving services from a specialty care provider and the primary care clinic who provided the initial referral for that care is changed to a higher Benefit Level, the employee or covered dependent may continue with that specialty care provider even when that specialty care provider is no longer affiliated with their primary care clinic.

5. **Health Promotion and Health Education.**

Health Club Membership – NOTE: The Union Coalition is not bringing a proposal on health club reimbursement!

Un 15. Change the amount of employer provided life and accidental death and dismemberment coverage to one and one-half times an employee's salary.

B. Employee Life Coverage.

1. **Basic Life and Accidental Death and Dismemberment Coverage.** The Employer agrees to provide and pay for the following-term life coverage and accidental death and dismemberment coverage equal to one and one-half (1.5) times the employee's salary for all employees eligible for Employer Contribution, as described in Section 3. Any premium paid by the State in excess of fifty thousand dollars (\$50,000) coverage is subject to a tax liability in accord with Internal Revenue Service regulations. An employee may decline coverage in excess of fifty thousand dollars (\$50,000) by filing a waiver in accord with Minnesota Management and Budget procedures. The basic life insurance policy will include an accelerated benefits agreement providing for payment of benefits prior to death if the insured has a terminal condition.

| Employee's Annual Base Salary | Group Life Insurance Coverage | Accidental Death and Dismemberment Principal Sum |
|------------------------------------------|------------------------------------------|-----------------------------------------------------------------|
| \$10,000 – \$15,000 | \$15,000 | \$15,000 |
| \$15,001 – \$20,000 | \$20,000 | \$20,000 |
| \$20,001 – \$25,000 | \$25,000 | \$25,000 |
| \$25,001 – \$30,000 | \$30,000 | \$30,000 |
| \$30,001 – \$35,000 | \$35,000 | \$35,000 |
| \$35,001 – \$40,000 | \$40,000 | \$40,000 |
| \$40,001 – \$45,000 | \$45,000 | \$45,000 |
| \$45,001 – \$50,000 | \$50,000 | \$50,000 |

| Employee's Annual Base Salary | Group Life Insurance Coverage | Accidental Death and Dismemberment Principal Sum |
|------------------------------------------|------------------------------------------|-----------------------------------------------------------------|
| \$50,001 – \$55,000 | \$55,000 | \$55,000 |
| \$55,001 – \$60,000 | \$60,000 | \$60,000 |
| \$60,001 – \$65,000 | \$65,000 | \$65,000 |
| \$65,001 – \$70,000 | \$70,000 | \$70,000 |
| \$70,001 – \$75,000 | \$75,000 | \$75,000 |
| \$75,001 – \$80,000 | \$80,000 | \$80,000 |
| \$80,001 – \$85,000 | \$85,000 | \$85,000 |
| \$85,001 – \$90,000 | \$90,000 | \$90,000 |
| Over \$90,000 | \$95,000 | \$95,000 |

SECTION 7 – OPTIONAL COVERAGES

A. Employee and Family Dental Coverage.

Un 16. State Dental Plan to include the provider's national network.

Un 17. Employees who do not have access to in network providers within 30 miles from the employee's worksite will have non network services available within 30 miles treated as in network.

1. **Coverage Under the State Dental Plan.** The State Dental Plan will provide the following coverage:
 - a. **Copayments.** Effective January 1, 2020, the State Dental Plan will cover allowable charges for the following services subject to the copayments and coverage limits stated. The State Dental Plan shall include the provider's national network. Higher out-of-pocket costs apply to services obtained from dental care providers not in the State Dental Plan network. If the State is unable to obtain an in-network provider within thirty (30) miles of any State of Minnesota worksite, any services provided within that area will be treated as in-network for the purposes of co-pays. Services provided through the State Dental Plan are subject to the State Dental Plan's managed care procedures and principles, including standards of dental necessity and appropriate practice. The plan shall cover general cleaning two (2) times per plan year and special cleanings (root or deep cleaning) as prescribed by the dentist.

Un 18. Add coverage for sedation excluding general anesthesia.

Un 19. Include Fluoride treatment for adults.

Un 20. Include coverage of crowns for children with damaged adult teeth.

| Service | In-Network | Out-of-Network |
|---------------------------------------------------|-----------------------------|-----------------------------|
| Diagnostic/Preventive ¹ | 100% | 50% after deductible |
| Fillings | 80% after deductible | 50% after deductible |
| Endodontics | 80% after deductible | 50% after deductible |
| Periodontics | 80% after deductible | 50% after deductible |
| Oral Surgery | 80% after deductible | 50% after deductible |
| Crowns ² | 80% after deductible | 50% after deductible |
| Implants | 80% after deductible | 50% after deductible |
| Prosthetics | 80% after deductible | 50% after deductible |
| Prosthetic Repairs | 80% after deductible | 50% after deductible |
| Orthodontics | 80% after deductible | 50% after deductible |
| <u>Sedation (excludes general anesthesia)</u> | <u>80% after deductible</u> | <u>50% after deductible</u> |

¹ Preventive includes Fluoride treatment for adults.

² Crowns includes coverage for children with damaged adult teeth.

Un 21. Change Annual Maximum to \$3,500.

- c. **Annual Maximums.** State Dental Plan coverage is subject to a ~~two thousand and two hundred dollar (\$2200)~~ three thousand and five hundred dollar (\$3500) annual maximum benefit payable (excluding orthodontia and preventive services) per person. "Annual" means per insurance year.

Un 22. Change Orthodontia Lifetime Maximum to \$4,500.

- d. **Orthodontia Lifetime Maximum.** Orthodontia benefits are subject to a ~~three thousand dollar (\$3,000)~~ four thousand and five hundred dollar (\$4500) lifetime maximum benefit. If an employee elects dental benefits on their own policy, dollars spent when the employee was a dependent of another policyholder shall not be applied toward the new policy's lifetime maximum.

Un 23. Eliminate the requirement for evidence of insurability for purchase of additional life insurance for employees and spouses.

B. Life Coverage

1. **Employee.** An employee may purchase up to five hundred thousand dollars (\$500,000) additional life insurance, in increments established by the Employer, ~~subject to satisfactory evidence of insurability. A new employee may purchase up to two (2) times annual salary in optional employee life coverage by their initial effective date of coverage as defined in this Article, Section 5C without evidence of insurability.~~ An individual may only be covered on one state sponsored life coverage policy. A retired employee who returns to state service with optional employee life coverage in place or who has already received a paid-up benefit are not eligible for optional employee life coverage. ~~An employee who becomes eligible for insurance may purchase up to two (2) times annual salary in optional employee life coverage without evidence of insurability within thirty (30) days of the initial effective date as defined in this Article.~~
2. **Spouse.** An employee may purchase up to five hundred thousand dollars (\$500,000) life insurance coverage for their spouse in increments established by the Employer, ~~subject to satisfactory evidence of insurability.~~ An individual may only be covered on one state sponsored life coverage policy. A retired employee who returns to state services with optional spouse life coverage in place or who has already received a paid-up benefit is not eligible for optional spouse life coverage. ~~A new employee may purchase either five thousand dollars (\$5,000) or ten thousand dollars (\$10,000) in optional spouse life coverage by their initial effective date of coverage as defined in this Article, Section 5C without evidence of insurability. An employee who becomes eligible for insurance may purchase either five thousand dollars (\$5,000) or ten thousand dollars (\$10,000) in optional spouse coverage without evidence of insurability within thirty (30) days of the initial effective date as defined in this Article.~~

Un 24. Change STD benefits to incremental increases by percent of employee's salary.

Un 25. STD open enrollment every 2 years.

C. Disability Coverage

1. **Short-term Disability Coverage.** An employee may purchase short-term disability coverage that provides benefits of ~~from three hundred dollars (\$300) to five thousand dollars (\$5,000) per month~~ up to two-thirds (2/3) of an employee's salary in increments of five (5) percent of the employee's salary, for up to one hundred eighty (180) days during total disability due to a non-occupational accident or a non-occupational sickness. Benefits are paid from the first day of a disabling injury or from the eighth day of a disabling sickness. For a new employee, coverage

applied for by the initial effective date of coverage as defined in this Article, Section 5C does not require evidence of insurability. For an employee who becomes eligible for insurance, coverage applied for within thirty (30) days of the initial effective date does not require evidence of insurability. An employee who is insurance eligible and moves from a temporary position to a permanent position will be allowed to enroll in short-term disability coverage within thirty (30) days of the event without providing evidence of insurability. A short-term disability open enrollment will be offered every ~~five~~ two years.

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List of Items for Discussion:

A) Improvements in vision coverage.

Request for best efforts to select a vision plan that includes:

- * In-network providers within thirty (30) miles of any State of Minnesota worksite.
- * Coverage up to \$500 annually for prescription lenses and eyewear.
- * Coverage for LASIK procedures.

B) Medical coverage improvements.

- *Ketamine treatments for depression.
- *Dry needling (as part of physical therapy).
- *Post-natal pelvic floor treatments.
- *Hormone replacement therapy for perimenopause, menopause, post-menopause.

C) Travel Benefit Policy coverage improvements.

- *Policy to cover travel for specialty care of fifty (50) miles or more.

D) Improving Prior Authorization Processes.

E) Incentives for greater Minnesota providers to lower costs.

F) Intersection Between Unions' Short-Term Disability Insurance Plan and Minnesota Paid Leave Act.