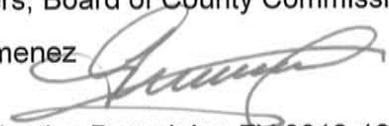


Memorandum



Date: September 5, 2012

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Status of Collective Bargaining FY 2012-13 – August 2012

The following information is being provided in accordance with Resolution R-401-12, which requires a monthly status report on collective bargaining.

During the month of August, we have continued sharing information with those unions willing to work with us to redesign the health plan so that Point of Service (POS) employee only and dependent premiums and Health Maintenance Organization (HMO) dependent premiums could remain flat for calendar year 2013. As you will remember, the County absorbed the cost of a nearly 12 percent premium increase for calendar year 2012. If the design of our health plan does not change, premium rates for calendar year 2013 will reflect an increase of 20 percent from the 2011 rates (12 percent increase for 2012 and an additional 8 percent for calendar year 2013).

Some of our collective bargaining partners have given careful consideration to cost sharing options which involve changes to provider and prescription co-pays. As a result, we will be formally proposing a health plan redesign option to these unions next week during contract negotiations.

Attached for your information is a list of the co-pay changes by plan that are being considered. It is my intention to implement these changes for non-bargaining unit employees for calendar year 2013.

Currently, 38 percent of the insurance eligible workforce is enrolled in dependent coverage in one of the aforementioned plans or in the Dade County Firefighter Insurance Plan (DCFF). Total enrollment in the respective plans is: High HMO: 68.7 percent, Low HMO: 1.2 percent, POS: 22.1 percent and DCFF: 6.9 percent.

I am encouraged that our working sessions with the unions continue to be productive. I will keep you apprised of our progress as these discussions continue.

Please do not hesitate to contact Deputy Mayor Edward Marquez at 305-375-1451 or me with any questions.

Attachment

c: R.A. Cuevas, Jr., County Attorney
Office of the Mayor Senior Staff
Department Directors
Charles Anderson, Commission Auditor

WHAT ARE THE PROPOSED CHANGES IN PLAN DESIGN TO AVOID ANY INCREASE IN SINGLE EMPLOYEE POS AND DEPENDENT MEDICAL PREMIUMS FOR 2013?

CHANGE CO-PAYS FOR PROVIDER VISITS AND PRESCRIPTIONS

HIGH HMO	Current Co-Pay	Proposed for 2013	Difference
Primary Care Physician (PCP) ¹	\$10	\$15	\$5
Specialist ²	\$10	\$30	\$20
Prescriptions (30-day supply)			
Generic ³	\$10	\$15	\$5
Preferred Brand ⁴	\$20	\$25	\$5
Non-Preferred Brand ⁵	\$30	\$35	\$5
Mail Order (90-day supply)	2 Co-Pays for a 90-day supply	2 Co-Pays for a 90-day supply	None

POS	Current Co-Pay	Proposed for 2013	Difference
Primary Care Physician (PCP) ¹	\$10	\$15	\$5
Specialist ²	\$10	\$30	\$20
Prescriptions (30-day supply)			
Generic ³	\$5	\$15	\$10
Preferred Brand ⁴	\$10	\$25	\$15
Non-Preferred Brand ⁵	\$15	\$35	\$20
Mail Order (90-day supply)	2 Co-Pays for a 90-day supply	2 Co-Pays for a 90-day supply	None

LOW HMO	Current Co-Pay	Proposed for 2013	Difference
Primary Care Physician (PCP) ¹	\$25	\$30	\$5
Specialist ²	\$25	\$45	\$20
Prescriptions (30-day supply)			
Generic ³	\$15	\$20	\$5
Preferred Brand ⁴	\$30	\$35	\$5
Non-Preferred Brand ⁵	\$50	\$55	\$5
Mail Order (90-day supply)	2 Co-Pays for a 90-day supply	2 Co-Pays for a 90-day supply	None

¹ PCP co-pay applies to Mental & Nervous, Substance Abuse, and Chiropractic services.

² SPECIALIST co-pay applies to Therapy and Obstetrics.

³ GENERIC: Generic Medications contain identical active ingredients, have the same indication for use, meet the same manufacturing standards, and are identical in strength and dosage form as brand name medications.

⁴ PREFERRED: These are typically brand name medications and are in the middle range for out-of-pocket expense. These medications typically do not have a generic equivalent.

⁵ NON-PREFERRED: These are non-preferred brand medications and are in the higher range for out-of-pocket expense. These medications typically have a generic equivalent and/or another brand option.