

Ordinance 19807
MEMORANDUM OF AGREEMENT
Regarding Insured Benefits
January 1, 2025 through December 31, 2025
For Represented Benefits-Eligible Employees
By and Between King County And
Joint Labor Management Insurance Committee of Unions

Subject: JLMIC Dispute Resolution Process

Background:

1. Management and Union representatives of the JLMIC have met to discuss how Paragraphs 11 and 12 of the current JLMIC will function, should the dispute resolution process be needed. The Parties hereby enter into this Agreement to memorialize those terms.
2. For reference, the following is excerpted from the JLMIC Memorandum of Agreement (000U0224):

11. Dispute Resolution. If at any time during the term of this Agreement, the PFR is projected to fall below \$15,000,000, the JLMIC will open negotiations to consider plan design changes and cost-sharing (e.g., copays, premiums) to be implemented by the following January 1. If the JLMIC is unable to reach agreement on such modifications by June 1st of any calendar year, the matter will be submitted to a panel of three (3) subject matter experts (“Panel”) for final and binding resolution, whose decision must be issued no later than August 15 of the same calendar year. The Panel shall be comprised of one expert selected by the County, one (1) expert selected by the Unions, and one (1) expert selected jointly by the two (2) selected partisan experts. The Parties agree to cooperate to present relevant information to the Panel in sufficient time for the Panel to issue a decision by August 15th. The Panel shall be empowered to make plan design changes and/or cost sharing (e.g., copay, premiums) and/or County contribution increases. The costs of the Panel shall be paid out of the PFR.

12. Subsequent Agreement. The Parties agree to commence negotiations for a successor insured benefits agreement (to be effective starting January 1, 2026) no later than January of 2025.

Agreement:

Rules for activation of the dispute resolution process (formalized process and hearing):


1. The parties should name their partisan experts as soon as possible and before May 15st of the year in which the parties invoke the dispute resolution process. The role of the partisan panel members in the dispute resolution process is to advocate on behalf

of their clients. Resources will be provided to the panel to do costing models and calculations. A role of the partisan panel members is to assist with calculations, using shared models and tools.


2. The parties' partisan experts should name the neutral expert right away, and that expert should be contacted and retained by June 1st. The partisan panelists will convey to the neutral expert the timelines and requirements for fulfilling the neutral expert role. The panelists may only select a neutral expert who agrees to hear and decide this case entirely between June 1 and August 15 (per paragraph 11).
3. The variables that are up for renewal, per the current JLMIC structure, are listed below. Any items that remain unresolved in the bargaining process shall be submitted to the panel.
4. The underlying authority of the panel is in the JLMIC Agreement paragraph 11: "The Panel shall be empowered to make plan design changes and/or cost sharing (e.g., copay, premiums) and/or County contribution increases." The panel is not empowered to alter the \$15 million distress threshold for the PFR. Only the parties may agree to an alteration of the critical level.
5. Joint statements and exhibits: The parties will endeavor to develop joint exhibits to the panel, that will include:
 - a. A joint statement about the history of the JLMIC.
 - b. Jointly agreed information about the JLMIC's historic financing and current projections.
 - c. If possible, a joint statement about the tasks for the panel. If the parties are unable to agree on the parameters of what the panel is tasked with determining, then they will present their own versions, much as when there is a disagreement about a statement of the issue in an arbitration case.
6. At least seven days prior to the hearing described below, the parties will submit their final proposals to each other and the panel, as well as supporting materials (exhibit binders, written arguments in support, etc.).
7. As soon as possible after June 1, the panel will convene a one-day in-person meeting of the panel as well as the invited guests of each party, to discuss and share the parties' final proposals and exhibits, and to answer questions by the panelists.
8. The panel will determine its process for considering the case. In all likelihood, the two partisan panel members will serve the role of clarifying matters that the neutral panel member may have. The partisan panel members will also assist with the costing model and calculations. The partisan panel members are not restricted from talking to their respective sides.
9. The panel must submit a ruling no later than August 15, but is encouraged to do so sooner. No extensions will be granted to the panel.
10. The panel is empowered to adopt either party's proposals or find common ground in between the competing proposals. In no event shall the panel be empowered to exceed the range between the parties' proposals (for example, if one party is proposing \$X and the other party is proposing \$Y, the panel must issue a decision within that range).

11. The panel will be expected to complete a form that fills in these variables and decisions by the panel for any of the plans agreed to or modified as a result of this process. In addition to completing the form, the panel will issue a written narrative decision that expounds on its rational on making plan design changes and/or cost sharing (e.g., copay, premiums) and/or County contribution.

For the Joint Labor Management Insurance Committee of Unions:

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Michael Gonzales, Senior Business Agent
General Teamsters Union, Local 174
Co-Chair, Joint Labor Management Insurance Committee

7/22/2024
Date

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Maria Williams, President and Director of Representation
Teamsters Local Union No. 117
Co-Chair, Joint Labor Management Insurance Committee

7/22/2024
Date

For King County:

DocuSigned by:

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Megan Pedersen, Director
Office of Labor Relations, King County Executive Office
Co-Chair, Joint Labor Management Insurance Committee

7/22/2024
Date

DocuSigned by:

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David S. Levin, Senior Labor Relations Negotiator
Office of Labor Relations, King County Executive Office
Co-Chair, Joint Labor Management Insurance Committee

7/15/2024
Date