



## King County

### **Dow Constantine**

King County Executive

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September 8, 2022

The Honorable Claudia Balducci  
Chair, King County Council  
Room 1200  
C O U R T H O U S E

Dear Councilmember Balducci:

This letter transmits a proposed Ordinance that would, if enacted, ratify two negotiated Joint Labor Management Insurance Committee (JLMIC) memoranda of agreements. The agreements address the plan provisions and funding of the County's fully insured and self-insured insurance programs for JLMIC-eligible represented employees and non-represented employees as identified by the County. These agreements are for the contractual period of January 1, 2023, through December 31, 2024.

The agreements were reached pursuant to good faith negotiations between King County and the Joint Labor Management Insurance Committee of Unions. Adoption of this proposed Ordinance will enable King County to continue to provide fully insured and self-insured medical, dental, vision, disability, accidental death and dismemberment, and life insurance programs to JLMIC-eligible employees. Included in this transmittal is a memorandum of agreement continuing the preexisting Health Reimbursement Arrangement (HRA) Voluntary Employees Beneficiary Association (VEBA) Medical Reimbursement Plan.

Two notable changes from previous agreements are reflected in the 2023-2024 JLMIC benefits agreement. The first change sets the County's benefits funding rates for 2023 at \$1,562 per employee per month, and for 2024 at \$1,600 per employee per month. These changes are increases of 2.5 percent in the first year and 2.5 percent in the second year. The second change includes modifications to employees' out-of-pocket costs, designed to incentivize employees to select the Accountable Health Network (AHN) plans over the Preferred Provider Organization (PPO) plan.

Adoption of this proposed Ordinance, which will ratify the negotiated agreements, advances the King County Strategic Plan goal of efficient, accountable regional and local government.

The Honorable Claudia Balducci

September 8, 2022

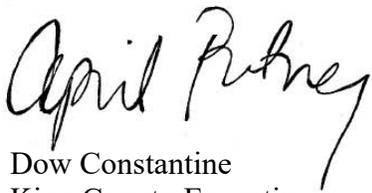
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Funding for these agreements will be included in the Proposed 2023-2024 King County Budget that will be transmitted to the King County Council in late September. A complete breakdown of the costs associated with these agreements are in the accompanying fiscal note, which has been reviewed by the Office of Performance, Strategy, and Budget.

Thank you for your consideration of this proposed Ordinance. This important legislation keeps King County's fiscal stewardship commitment to the public by managing its costs in a sustainable and predictable manner.

If your staff have any questions, please contact Megan Pedersen, Director, Office of Labor Relations, at 206-263-2898.

Sincerely,

 for  
Dow Constantine  
King County Executive

Enclosure

cc: King County Councilmembers  
ATTN: Stephanie Cirkovich, Chief of Staff  
Melani Pedroza, Clerk of the Council  
Shannon Braddock, Chief of Staff, Office of the Executive  
Karan Gill, Deputy Chief of Staff, Office of the Executive  
Mina Hashemi, Director, Council Relations, Office of the Executive  
Dwight Dively, Director, Office of Performance, Strategy and Budget  
Megan Pedersen, Director, Office of Labor Relations