

EXECUTIVE DECISION DOCUMENT

GENERAL MANAGER APPROVAL:	GENERAL MANAGER ACTION REQ'D:
1/6/2021	
DATE: 1/4/2021	BOARD INITIATED ITEM: No
Originator/Prepared by: Diane Iwata Ceneral Counsel	Controller/Treasurer District Secretary BARC
Dept: HRIS & Benefits	
Signature Date:	Man 1. T.
Signature/Date:	I will a
15/20 15/21 []	[] [] [] [] [] [] [] [] [] []

Fix the Employer's Contribution to CalPERS Medical Premium for AFSCME, ATU, SEIU, and Non Reps

PURPOSE

To obtain Board approval to adopt the resolutions which are required by the Public Employees' Medical and Hospital Care Act (PEMHCA) to implement the District and Employee/Annuitant premium contribution amounts for American Federation of State, County and Municipal Employees Local 3993 ("AFSCME"), Amalgamated Transit Union Local 1555 ("ATU") and Service Employees International Union Local 1021 ("SEIU"), based on collective bargaining agreements that have been previously ratified by the Board.

DISCUSSION:

Extensions to the collective bargaining agreements (CBAs) with AFSCME, ATU and SEIU have been ratified and include provisions for the employee and employer contribution towards medical premiums. The CBAs provide for a 3% increase in the employee contribution from 2006 to 2034 and an additional \$37 per month from 2014 to 2024. In calendar year 2021, the monthly employee contribution is \$153.85, which was bargained and approved in the previous contract term. The monthly contribution will increase to \$157.35 in calendar 2022, \$160.96 in calendar year 2023, and \$164.68 in calendar year 2024. In addition, the CBAs provide that the maximum the District will contribute for employee and annuitant medical premiums will be based on the more costly of the CalPERS HMO Blue Shield Access+ basic plan (that includes the Bay Area which is Region 1) or the CalPERS HMO Kaiser (that includes the Bay Area which is Region 1) basic plan for the applicable level of plan participation for the employee, less employee/annuitant monthly contribution. Employees and annuitants who choose higher-cost plans will be responsible for the additional premium above the District's cap. All changes will be made effective January 1st

of the respective year. This schedule is also subject to the retiree medical eligibility schedule.

The General Manager intends to make the same change in the amount of the medical premium contribution for non-represented employees and eligible retirees as have been agreed to with these represented groups. Therefore, the Board is also being asked to adopt the attached resolutions pertaining to non-represented employees and eligible retirees on the same schedule. This also includes the same formula for calendar year 2021 with a monthly contribution of \$153.85 for the Non-represented group, which was previously approved for the represented group.

FISCAL IMPACT:

The employee contribution increase is estimated to produce \$2,300,000 in savings. For AFSCME, ATU and SEIU, the \$37 per month will continue to be deducted from the District's contribution of the Money Purchase Pension Plan. For non-represented employees, the entire employee contribution increase will be deducted from wages. For retirees, the contribution increase will be deducted from their annuity by CalPERS.

ALTERNATIVES:

This is a negotiated benefit for represented employees which the Board approved when it ratified the extension of 2013-2021 collective bargaining agreements to 2024 with AFSCME, ATU and SEIU. As a matter of policy, the General Manager has recommended that medical benefits for non-represented employees be offered on the same terms.

RECOMMENDATION:

That the Board adopts the following motion.

MOTION:

To adopt the attached resolutions pertaining to AFSCME, ATU, SEIU, and non-represented employees and eligible retirees regarding "Fixing the Employer's Contributions under the Public Employees' Medical and Hospital Care Act" and authorize the Board President to sign the resolutions on behalf of the Board.

FIXING THE EMPLOYER CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION GROUP 001 AFSCME LOCAL 3993

(1)San Francisco Bay Area Rapid Transit District is a contracting agency under WHEREAS, Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act") for participation by members of American Federation of State, County and Municipal Employees Local 3993 (AFSCME); and (2)Government Code Section 22892(a) provides that a contracting agency subject WHEREAS, to Act shall fix the amount of the employer contribution by resolution; and WHEREAS. (3)Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it RESOLVED. That the employer contribution for each employee or annuitant shall be the (a) amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the higher of Kaiser Region 1 Basic or Blue Shield Access+ Region 1 Basic, less employee/annuitant share of \$157.35 (2022), \$160.96 (2023) and \$164.68 (2024) per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further RESOLVED, (b) San Francisco Bay Area Rapid Transit District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further That the participation of the employees and annuitants of San Francisco Bay RESOLVED, (c) Area Rapid Transit District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that San Francisco Bay Area Rapid Transit District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the District Secretary to file with the Board a verified copy of this

resolution, and to perform on behalf of San Francisco Bay Area Rapid Transit

RESOLVED,	(e)	That coverage under the Act be effective on January 1, 2022.	
		Adopted at a regular meeting of the Board of Directors of the Area Rapid Transit District at Oakland, California, this 14th day	
*		Signed: President	
		Attest: District Secretary	

FIXING THE EMPLOYER CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION GROUP 004 AMALGAMATED TRANSIT UNION

WHEREAS, (1)San Francisco Bay Area Rapid Transit District is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act") for participation by members of Amalgamated Transit Union Local 1555 (ATU); and Government Code Section 22892(a) provides that a contracting agency subject WHEREAS, (2) to Act shall fix the amount of the employer contribution by resolution; and WHEREAS, Government Code Section 22892(b) provides that the employer contribution (3)shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the higher of Kaiser Region 1 Basic or Blue Shield Access+ Region 1 Basic, less employee/annuitant share of \$157.35 (2022), \$160.96 (2023) and \$164.68 (2024) per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further RESOLVED, (b) San Francisco Bay Area Rapid Transit District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further RESOLVED, (c) That the participation of the employees and annuitants of San Francisco Bay Area Rapid Transit District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that San Francisco Bay Area Rapid Transit District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the District Secretary to file with the Board a verified copy of this

resolution, and to perform on behalf of San Francisco Bay Area Rapid Transit

RESOLVED, (e)	That coverage under the Act be effective on Ja	anuary 1, 2022.
	Adopted at a regular meeting of the Board of Area Rapid Transit District at Oakland, Californ	
	Signed:President	
	Attest: District Secretary	

FIXING THE EMPLOYER CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION GROUP 005 SEIU LOCAL 1021

San Francisco Bay Area Rapid Transit District is a contracting agency under WHEREAS, (1)Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act") for participation by members of Service Employees International Union Local 1021 (SEIU); and WHEREAS. (2)Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and Government Code Section 22892(b) provides that the employer contribution WHEREAS, (3)shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it RESOLVED, (a) That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the higher of Kaiser Region 1 Basic or Blue Shield Access+ Region 1 Basic, less employee/annuitant share of \$157.35 (2022), \$160.96 (2023) and \$164.68 (2024) per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further RESOLVED, (b) San Francisco Bay Area Rapid Transit District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further RESOLVED, (c) That the participation of the employees and annuitants of San Francisco Bay Area Rapid Transit District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that San Francisco Bay Area Rapid Transit District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the District Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of San Francisco Bay Area Rapid Transit

RESOLVED,	(e)	That coverage under the Act be effective on January 1, 2022.
		Adopted at a regular meeting of the Board of Directors of the San Francisco Bay Area Rapid Transit District at Oakland, California, this 14th day of January, 2021.
		Signed: President
		Attest:
		District Secretary

RESOLUTION NO. ___

FIXING THE EMPLOYER CONTRIBUTION UNDER THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT AT AN EQUAL AMOUNT FOR EMPLOYEES AND ANNUITANTS WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION GROUP 006 NON-REPRESENTED EMPLOYEES

WHEREAS,	(1)	San Francisco Bay Area Rapid Transit District is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act") for participation by members of Non-Represented Employees; and
WHEREAS,	(2)	Government Code Section 22892(a) provides that a contracting agency subject to Act shall fix the amount of the employer contribution by resolution; and
WHEREAS,	(3)	Government Code Section 22892(b) provides that the employer contribution shall be an equal amount for both employees and annuitants, but may not be less than the amount prescribed by Section 22892(b) of the Act; now, therefore be it
RESOLVED,	(a)	That the employer contribution for each employee or annuitant shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the higher of Kaiser Region 1 Basic or Blue Shield Access+ Region 1 Basic, less employee/annuitant share of \$153.85 (2021), \$157.35 (2022), \$160.96 (2023) and \$164.68 (2024) per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further
RESOLVED,	(b)	San Francisco Bay Area Rapid Transit District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further
RESOLVED,	(c)	That the participation of the employees and annuitants of San Francisco Bay Area Rapid Transit District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that San Francisco Bay Area Rapid Transit District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, CalPERS may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further
RESOLVED,	(d)	That the executive body appoint and direct, and it does hereby appoint and direct, the District Secretary to file with the Board a verified copy of this

resolution, and to perform on behalf of San Francisco Bay Area Rapid Transit

RESOLVED,	(e)	That coverage under the Act be effective on March 1, 2021.
		Adopted at a regular meeting of the Board of Directors of the San Francisco Bay Area Rapid Transit District at Oakland, California, this 14th day of January, 2021.
		Signed:
		President
		Attest:
		District Secretary

OF THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION GROUP 001 AFSCME LOCAL 3993

(1)San Francisco Bay Area Rapid Transit District is a contracting agency under WHEREAS, Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act") for participation by members of American Federation of State, County and Municipal Employees Local 3993 (AFSCME); and (2)San Francisco Bay Area Rapid Transit District is a contracting agency has filed a WHEREAS. resolution with the Board of the California Public Employees' Retirement System to provide a postretirement health benefits vesting requirement to employees who retire for service in accordance with Government Code Section 22902; and RESOLVED, (a) That the employer contribution for each annuitant subject to vesting shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the higher of Kaiser Region 1 Basic or Blue Shield Access+ Region 1 Basic, less annuitant share of \$157.35 (2022), \$160.96 (2023) and \$164.68 (2024) per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further RESOLVED. (b) San Francisco Bay Area Rapid Transit District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further RESOLVED, (c) That the participation of the employees and annuitants of San Francisco Bay Area Rapid Transit District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that San Francisco Bay Area Rapid Transit District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees' Retirement System may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the District Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of San Francisco Bay Area Rapid Transit District all functions required of it under the Act; and be it further

That coverage under the Act be effective on January 1, 2022.

RESOLVED,

Area Rapid Transit District at Oakland,	California, this 14th day of January, 202	21.
Signed:		
President		

Adopted at a regular meeting of the Board of Directors of the San Francisco Bay

Attest: ______
District Secretary

FIXING THE EMPLOYER CONTRIBUTION UNDER SECTION 22902 OF THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION GROUP 004 AMALGAMATED TRANSIT UNION

San Francisco Bay Area Rapid Transit District is a contracting agency under WHEREAS. (1)Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act") for participation by members of Amalgamated Transit Union Local 1555 (ATU); and (2) San Francisco Bay Area Rapid Transit District is a contracting agency has filed a WHEREAS. resolution with the Board of the California Public Employees' Retirement System to provide a postretirement health benefits vesting requirement to employees who retire for service in accordance with Government Code Section 22902; and RESOLVED, That the employer contribution for each annuitant subject to vesting shall be (a) the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the higher of Kaiser Region 1 Basic or Blue Shield Access+ Region 1 Basic, less annuitant share of \$157.35 (2022), \$160.96 (2023) and \$164.68 (2024) per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further RESOLVED, (b) San Francisco Bay Area Rapid Transit District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further RESOLVED, (c) That the participation of the employees and annuitants of San Francisco Bay Area Rapid Transit District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that San Francisco Bay Area Rapid Transit District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees' Retirement System may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the District Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of San Francisco Bay Area Rapid Transit District all functions required of it under the Act; and be it further

That coverage under the Act be effective on January 1, 2022.

RESOLVED,

	_	ctors of the San Francisco Bay his 14th day of January, 2021
Signed:President		
Attest:		
District Secretary		

FIXING THE EMPLOYER CONTRIBUTION UNDER SECTION 22902 OF THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION GROUP 005 SEIU LOCAL 1021

WHEREAS. (1) San Francisco Bay Area Rapid Transit District is a contracting agency under Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act") for participation by members of Service Employees International Union Local 1021 (SEIU); and WHEREAS. (2)San Francisco Bay Area Rapid Transit District is a contracting agency has filed a resolution with the Board of the California Public Employees' Retirement System to provide a postretirement health benefits vesting requirement to employees who retire for service in accordance with Government Code Section 22902; and RESOLVED, That the employer contribution for each annuitant subject to vesting shall be (a) the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the higher of Kaiser Region 1 Basic or Blue Shield Access+ Region 1 Basic, less annuitant share of \$157.35 (2022), \$160.96 (2023) and \$164.68 (2024) per month, plus administrative fees and Contingency Reserve Fund assessments; and be it further RESOLVED, (b) San Francisco Bay Area Rapid Transit District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further RESOLVED, (c) That the participation of the employees and annuitants of San Francisco Bay Area Rapid Transit District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that San Francisco Bay Area Rapid Transit District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees' Retirement System may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the District Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of San Francisco Bay Area Rapid Transit District all functions required of it under the Act; and be it further

That coverage under the Act be effective on January 1, 2022.

RESOLVED,

	oted at a regular meeting of the Board of Directors of the San Francisco Bay Rapid Transit District at Oakland, California, this 14th day of January, 2021.					
Signed	: President					
Attest						
	District Secret	ary				

FIXING THE EMPLOYER CONTRIBUTION UNDER SECTION 22902 OF THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT WITH RESPECT TO A RECOGNIZED EMPLOYEE ORGANIZATION GROUP 006 NON-REPRESENTED EMPLOYEES

San Francisco Bay Area Rapid Transit District is a contracting agency under WHEREAS, (1)Government Code Section 22920 and subject to the Public Employees' Medical and Hospital Care Act (the "Act") for participation by members of Non-Represented Employees; and San Francisco Bay Area Rapid Transit District is a contracting agency has filed a WHEREAS, (2)resolution with the Board of the California Public Employees' Retirement System to provide a postretirement health benefits vesting requirement to employees who retire for service in accordance with Government Code Section 22902; and RESOLVED, (a) That the employer contribution for each annuitant subject to vesting shall be the amount necessary to pay the full cost of his/her enrollment, including the enrollment of family members, in a health benefits plan up to a maximum of the higher of Kaiser Region 1 Basic or Blue Shield Access+ Region 1 Basic, less annuitant share of \$153.85 (2021), \$157.35 (2022), \$160.96 (2023) and \$164.68 (2024) per month, plus administrative fees and Contingency Reserve Fund assessments: and be it further RESOLVED, (b) San Francisco Bay Area Rapid Transit District has fully complied with any and all applicable provisions of Government Code Section 7507 in electing the benefits set forth above; and be it further That the participation of the employees and annuitants of San Francisco Bay RESOLVED, (c) Area Rapid Transit District shall be subject to determination of its status as an "agency or instrumentality of the state or political subdivision of a State" that is eligible to participate in a governmental plan within the meaning of Section 414(d) of the Internal Revenue Code, upon publication of final Regulations pursuant to such Section. If it is determined that San Francisco Bay Area Rapid Transit District would not qualify as an agency or instrumentality of the state or political subdivision of a State under such final Regulations, the California Public Employees' Retirement System may be obligated, and reserves the right to terminate the health coverage of all participants of the employer; and be it further RESOLVED, (d) That the executive body appoint and direct, and it does hereby appoint and direct, the District Secretary to file with the Board a verified copy of this resolution, and to perform on behalf of San Francisco Bay Area Rapid Transit District all functions required of it under the Act; and be it further

That coverage under the Act be effective on March 1, 2021.

RESOLVED,

Adopted at a regular meeting of the Board of Directors of the San Francisco Ba Area Rapid Transit District at Oakland, California, this 14th day of January, 202	,
Signed:	

President

District Secretary

Attest: