

ARTICLE 15
BENEFITS

A. GENERAL CONDITIONS

1. Eligible nurses may participate in a number of retirement, medical, dental, and other benefit programs to the same extent as other eligible policy-covered staff employees of the University.

B. RETIREMENT

1. The University may, at its option during the term of this Agreement, alter its retirement system plans (UCRS / UCRP). Such alterations include, but are not limited to, altering eligibility criteria, establishing new coverage, altering or deleting current coverage, or altering employee and University rates of contribution. The University may require employee contributions to the UCRP expressed as a percentage of covered compensation, as follows: 2% (through June 30, 2011); 3.5% (from July 1, 2011 to June 30, 2012); 5% (from July 1, 2012 to June 30, 2013). The University may not require employee contributions to the UCRP which exceed the foregoing amounts without meeting and conferring with the Association over this subsection 15.B.1.
2. In the event the University makes alterations to its retirement system plans, the changes will apply to nurses eligible to participate in the plans within the unit in the same manner as they apply to other eligible policy-covered staff employees at the same campus/laboratory. The sole exception shall be any alterations proposed by the University that affect only bargaining unit nurses. In such cases, the University agrees to meet and confer with respect to the proposed change.

C. HEALTH BENEFITS

1. The University health and welfare plans provide an annual open enrollment period during which eligible employees may elect to change specific plan or coverage options. Open enrollment provides an opportunity for employees to choose among plans due to changes in circumstances of the employees, changes in the coverage and costs of each plan, and changes in plan availability which may change from year to year. A brief outline of the University's health and welfare plans is attached hereto as Appendix B-1, for informational purposes only.
2. In calendar year 2011, as soon as practicable after the effective date of the Agreement, and in subsequent calendar years, the University and employees shall pay the amount appropriate to the employee's pay band and the employee's selected coverage category (single, adult + children, two adults, or family) and health plan. *See* Appendix B-2 for 2011 rates.

3. The University may, at its option during the term of this Agreement, alter the terms of its health and welfare programs, including but not limited to plan design, contribution rates, eligibility criteria, and carriers.
 - a. However, during the term of this Agreement, the University shall contribute toward health and welfare programs for nurses the greater of (i) the University's contribution level for nurses in calendar year 2011 or (ii) the University's contribution level for other eligible policy-covered staff in calendar years subsequent to 2011. The University shall not contribute less than the foregoing amounts without first meeting and conferring with the Association over this subsection 15.C.3.a.
 - b. Further, the University may increase annual employee contributions (*see* Appendix B-2 for 2011 monthly rates) for employees in any Pay Band who elect Health Net Blue & Gold (HB & HE) (the "target value plan"), Western Health Advantage (WH), Kaiser Permanente – CA (KN & KS), or Anthem Lumenos (BL) (collectively, the "value plans") employee-only ("U") coverage by up to 10% of the average annual salary increase received by nurses over the course of the prior calendar year in the applicable Pay Band (taking into account the average appointment rate of 90%). The "average annual salary increase" is calculated by aggregating the across-the-board (ATB) and step increases provided by contract in the prior year, in the same manner as calculated in subsection 15.C.3.b.(1) below. The University shall not require nurses to contribute more than as specified immediately above without first meeting and conferring with the Association over this subsection 15.C.3.b.
 - 1) To illustrate, for the 2011 Open Enrollment period (with employee choices and contribution rates effective January 1, 2012), the "average annual salary increase" for the prior year is 90% of the average annualized nurse salary in the applicable Pay Band on January 1, 2010 multiplied by 3.25% (which 3.25% consists of the July 2010 step increase [valued at 1.25%] and the September 2010 2% ATB increase). The parties agree that, for the term of this Agreement, the average value of each step increase shall be calculated by multiplying 2.0% (the step increase) by the percentage of nurses who receive that increase. Where the Medical Centers do not each provide the same ATB increase, the simple (*i.e.*, non-weighted) average of the ATB increases shall be used.
 - c. The parties also specifically agree that, across the four value plans and all Pay Bands, the difference between (i) the University's simple average percentage contribution to EE-only coverage (U) and (ii) the simple average of the University's contribution to dependent coverage (UC, UA and UAC, collectively), may be up to 3 percentage points. The University shall not exceed the above-specified difference unless the University first meets and confers with the Association over this subsection 15.C.3.c. (The University's percentage contribution to any plan is determined by dividing the University's monthly contribution amount by the plan's gross monthly premium.)
 - d. Moreover, the University will continue to contribute at least as much toward the gross monthly premium for nurses who elect premium plans (*i.e.*, all plans other than the four value plans), as the University contributes toward the target value plan, for all Pay Bands and all coverage types, unless the University first meets and confers with the Association over this subsection 15.C.3.d.

- e. For all nurses in all plans, the University may not, without first meeting and conferring with the Association over this subsection 15.C.3.e, increase monthly employee contribution rates by more (in flat dollar terms) than the University increases its (employer) monthly contribution rate for the applicable Pay Band and plan / coverage choice.
- 4. The costs for plans to which the University does not contribute are to be paid by bargaining unit nurses normally through payroll deduction.
- 5. Payband placement for any year is based on the nurse's January 1 full-time annualized salary as of the previous year. For example, for the 2011 calendar year, the placement is based on the nurse's January 1, 2010 full-time annualized salary. Such salary includes stipends paid on January 1, but does not include shift differentials or other ancillary pay. Paybands are generally adjusted annually, using the California Consumer Price index.