



Legislative Coordinating Commission

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DATE: October 27, 2015
TO: Members of the Legislative Coordinating Commission
FROM: Greg Hubinger
RE: Summary of proposed changes to the 2016 Benefit Book

This memo summarizes proposed changes to the “Legislative Plan for Employee Benefits and Policies,” which establishes health insurance benefits, vacation and sick leave accrual policies, and numerous other benefits for legislative branch employees in the House, Senate, joint legislative offices and commissions. The insurance, vacation, severance, and sick leave policies are effective when adopted by the LCC. Other provisions are effective when they are adopted by the respective rules committees of the House and Senate.

A staff group from the House, Senate, and various joint legislative offices and commissions met over the last couple of months to develop the proposed amendments to the Plan. A list of the staff who served on the Benefit Book group is included at the end of the summary. A copy of the Benefit Book is also attached.

Changes

- 1) **Update insurance chapter.** (Pages 30-54.) Under Minnesota Statutes section 43A.18, subdivision 6, the LCC is responsible for establishing insurance coverage for staff and members of the Legislature. Because the Legislature has traditionally decided to purchase insurance coverage through the State Employee Group Insurance Program (SEGIP), the LCC must adopt the insurance coverage that will become effective January 1, 2016.

The health, dental, life, and disability benefits provisions are initially bargained through a joint labor management committee that includes exclusive representatives from all the

state's unions. Final bargaining is completed between the state and the exclusive representatives for each union. As a result, the insurance provisions themselves are generally consistent from contract to contract.

Changes to the insurance chapter to conform with the state labor contracts and plans include:

- No changes to the underlying plan design.
- First dollar deductibles, office and prescription co-pays, and co-insurance increase effective January 1, 2016. The table on pages 44-45 shows these changes.
- Increase from 60% to 80% the in-network percentage coverage for many dental corrective procedures.
- Provide palliative care as a covered benefit.
- Health insurance premiums are planned to increase by approximately 7.4% in CY 16. Increases for CY 17 will be established in mid-2016 based on actual and estimated cost trends. (Premiums are determined by MMB and are not negotiated.)

- 2) **Long term care coverage.** (Page 54.) Provide notice that that long term care insurance coverage provided by the state will only be available to those who enroll by February 1, 2016.

Conforming changes and clarifications

- 3) **Statutory references.** (Page 5.) Update references to the Human Rights Act.
- 4) **Sick leave use.** (Page 15.) Delete a transition provision that is no longer needed.
- 5) **Sick leave use** (Page 16.) Clarify that either parent can take ten weeks leave upon the birth of a dependent child.
- 6) **Sick leave use, medical practitioner statement.** (Page 17.) Authorize the Human Resources Office (in addition to the supervisor) to request a statement from the employee's medical practitioner supporting the use of sick leave.
- 7) **Deferred compensation.** (Page 56.) Update the description of the employer match for deferred compensation for the Senate to reflect the Senate Rules Committee action earlier this year, and to establish the match for the LCC half-way between the Senate and the House contribution rates.

If you have any questions about these proposed changes, please feel free to call me at 651.296.2963.

Attach: Benefit Book

Benefit Book Staff Group

The following participated in the staff group that developed the proposed changes to the Legislative Plan for Employee Benefits and Policies:

Deede Larson, Senate

Kelly Knight, House of Representatives

Ben Weeks, House Research

Larie Pampuch, House Research

Stephanie James, Senate Counsel, Research, & Fiscal Analysis

Michele Timmons, Office of Revisor of Statutes

Elizabeth Lincoln, Legislative Reference Library

Eric Jacobsen, Office of the Legislative Auditor

Diane Henry-Wangenstein, Legislative Coordinating Commission

Greg Hubinger, Legislative Coordinating Commission