

MEMORANDUM OF AGREEMENT**Regarding Insured Benefits****By and Between****The Joint Labor Management Insurance Committee (JLMIC)****Subject: Accountable Health Networks**

WHEREAS, certain designated representatives of King County (the County) and the Unions who are party to the JLMIC and are signatory to this Memorandum of Agreement (the Agreement) are empowered to negotiate and implement modifications to insured benefits for JLMIC-Eligible Employees, pursuant to Section 7 of the JLMIC Memorandum of Agreement Regarding Insured Benefits January 1, 2017 through December 31, 2018 (Benefits Agreement); and

WHEREAS, Section 8 of the Benefits Agreement provides that during the term of the Benefits Agreement, the JLMIC will add a supplemental plan option for JLMIC-Eligible Employees, in addition to the current PPO and HMO plans to be effective January 1, 2018; and

WHEREAS, the JLMIC has negotiated adding an Accountable Health Network (AHN) plan option for JLMIC-Eligible Employees since 2015; and

WHEREAS, the JLMIC has negotiated the plan design for an AHN pursuant to Section 7 of the Benefits Agreement.

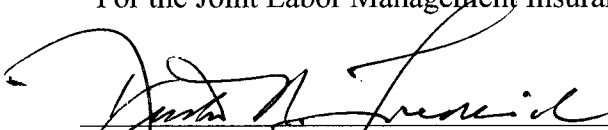
NOW THEREFORE, on April 11, 2017, the JLMIC agreed to add the AHN plan option and plan design under the terms and conditions provided below:

1. The JLMIC hereby agrees to add an AHN plan option for JLMIC-Eligible Employees beginning 2018 as described in Attachment A.

2. The JLMIC hereby agrees that as an incentive to select the AHN plan option, the annual deductible for 2018 and 2019 will be \$0 per single only with a maximum of \$400 per family. Beginning in 2020, the annual deductible rates will be \$200 per single only with a maximum of \$600 per family.

3. In the event that at least 15% of the JLMIC-Eligible Employees elect the AHN plan option during the fall 2018 open enrollment, the JLMIC shall negotiate additional short-term and/or long-term disability plan options to be implemented no earlier than 2020 should the JLMIC reach agreement on one and/or both disability plan options.

For the Joint Labor Management Insurance Committee:

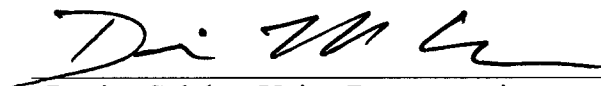


Dustin Frederick, Business Manager
Public Safety Employees Union
Co-Chair, Joint Labor Management Insurance Committee

8/8/17

Date

For the Joint Labor Management Insurance Committee:




Denise Cobden, Union Representative
Professional and Technical Employees, Local 17
Co-Chair, Joint Labor Management Insurance Committee

8/8/17

Date

For King County:



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

8.11.17

Date

For King County:



Robert Railton, Labor Relations Manager
Office of Labor Relations, King County Executive Office
Co-Chair, Joint Labor Management Insurance Committee

8/8/17

Date

Attachment A
Accountable Health Network (AHN)
Plan Design for 2018 -2019*

KingCareSM AHN		
	In-Network	Out-of-network
Deductible Single/family	\$0/\$400**	\$500/\$1,500
Out-of-pocket (Deductible + copay) Single/family	\$1,100/\$2,400	\$2,500/\$5,500
Office Visit Copay/Coinsurance	\$20 (no deductible)	40%
Inpatient Hospital Copay/Coinsurance	10%	40%
Emergency Room	\$200 copay, 10% coinsurance	
Retail Prescription Drug (Mail 2x Copay)	Out-of-pocket limit on Rx drugs: \$1,500/\$3,000	
Generic	\$5 copay	
Brand Formulary	\$25 copay	
Non-Formulary	\$75 copay	
Benefit Access Fee	\$0	
Actuarial Value***	93%	

* AHN will only have the single plan design for 2018-2019.

** As an incentive to select the AHN plan option, the annual deductible for 2018 and 2019 will be \$0 per single only with a maximum of \$400 per family. Beginning in 2020, the annual deductible rates will be \$200 per single only with a maximum of \$600 per family.

*** Actuarial value: The percentage of the total average costs for covered benefits that the plan will cover. For example, the person would be responsible for 7% of the costs of the covered benefits if the plan selected has an actuarial value of 93%, on average.