

Shannon Braddock

King County Executive

401 Fifth Avenue, Suite 800 Seattle, WA 98104

206-296-9600 Fax 206-296-0194 TTY Relay: 711 www.kingcounty.gov

July 22, 2025

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

Dear Councilmember Zahilay:

I am pleased to transmit to you a proposed Ordinance that would, if enacted, ratify the 2026 - 2028 Joint Labor Management Insurance Committee (JLMIC) Benefits Agreement, bargained with 40 Unions, covering approximately 7,679 represented employees across 17 departments and agencies for the contractual period of January 1, 2026, through December 31, 2028. This Agreement also applies to the approximately 3,341 non-represented employees identified by the County to be treated in the same manner as the represented employees covered by this Agreement.

King County's health care costs are projected to increase by an average of 6.7 percent per year for each of the next three years. This Agreement addresses those projected cost increases by increasing the contributions made by King County, adding and increasing premiums paid by employees, along with modest plan design changes.

The JLMIC Benefits Agreement, covering benefits from January 1, 2026, through December 31, 2028, includes the following changes from the 2025 insured health benefits agreement:

- 1. The County funding rate will increase on a per employee per month (PEPM) basis from \$1,744 as follows:
 - a. 2026: \$1,887 PEPM (8.2 percent increase)
 - b. 2027: \$1,981 PEPM (5 percent increase)
 - c. 2028: \$2,070 PEPM (4.5 percent increase)
- 2. Employee premium share increases:
 - a. PPO plan premium will increase from \$75/mo. to \$85/mo.
 - b. AHN plan premium will increase from \$50/mo. to \$70/mo.

- c. HMO plan premium will increase from \$0/mo. to \$60/mo.
- 3. The annual out-of-pocket maximums for the PPO and AHN plans will increase.
 - a. PPO plan employee-only maximum increases from \$1,100 to \$2,000
 - b. PPO plan family coverage maximum increases from \$2,500 to \$4,500
 - c. AHN plan employee-only maximum increases from \$1,100 to \$1,500
 - d. AHN plan family coverage maximum increases from \$2,400 to \$3,100.
- 4. The previously separate emergency room out-of-pocket maximum for the PPO and AHN plans will be eliminated. The prior maximum was \$9,450 for employee-only and \$18,900 for family coverage.
- 5. The parties will implement plan design changes in 2027 regarding the voluntary use of a "centers of excellence model" to provide employee steerage to high performing medical providers for certain procedures.

Labor Unions represented by the JLMIC Coalition of Unions and subject to this Agreement include:

- Animal Control Officers Guild
- International Association of Fire Fighters, Local 2595
- International Brotherhood of Electrical Workers, Local 77
- International Union of Operating Engineers, Local 302
- Joint Crafts Council, International Association of Machinists and Aerospace Workers Local 289
- Joint Crafts Council, International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers and Helpers, Lodge No. 104
- Joint Crafts Council, International Brotherhood of Electrical Workers Local 46
- Joint Crafts Council, International Union of Painters and Allied Trades District Council 5
- Joint Crafts Council, Laborers' International Union of North America, Local 242
- Joint Crafts Council, Operating Engineers, Local 302, District 286
- Joint Crafts Council, Southwest Mountain states Regional Council of Carpenters
- Joint Crafts Council, United Association of Plumbers and Pipefitters Local 32
- King County Corrections Guild
- King County Juvenile Detention Guild
- King County Maritime Coalition, Inlandboatmen's Union of the Pacific
- King County Maritime Coalition, Intl Organization of Masters, Mates & Pilots
- King County Maritime Coalition, Marine Engineers' Beneficial Association
- King County Prosecuting Attorneys Association
- King County Regional AFIS Guild
- King County Security Guild
- King County Sheriff's Office Marshals' Guild
- Office & Professional Employees International Union, Local 8
- Professional and Technical Employees, Local 17
- Public Safety Employees Union

The Honorable Girmay Zahilay July 22, 2025 Page 3

- Public, Professional & Office-Clerical Employees and Drivers, Teamsters Local 763
- Service Employees International Union, Local 925
- Teamsters Local 174
- Teamsters Local Union No. 117
- Technical Employees' Association
- Uniformed Command Association
- Washington State Council of County and City Employees, Council 2, Local 1652
- Washington State Council of County and City Employees, Council 2, Local 1652R
- Washington State Council of County and City Employees, Council 2, Local 2084-FM
- Washington State Council of County and City Employees, Council 2, Local 2084-S
- Washington State Council of County and City Employees, Council 2, Local 2084-SC
- Washington State Council of County and City Employees, Council 2, Local 2084SC-S
- Washington State Council of County and City Employees, Council 2, Local 21AD
- Washington State Council of County and City Employees, Council 2, Local 21DC
- Washington State Council of County and City Employees, Council 2, Local 21HD
- Washington State Nurses Association

The negotiated Agreement was reached pursuant to good faith negotiations between King County and the JLMIC Coalition of Unions.

King County has the capacity to finance this Agreement. It has been reviewed by the Prosecuting Attorney's Office. Appropriation to fund this agreement will be included in the Executive's proposed budget 2026-2027. The increase in the funding rate is a cost to agencies and a revenue to the Employee Benefits fund. A complete breakdown of the costs associated with the Agreement can be found in the accompanying fiscal note, which has been reviewed by the Office of Performance, Strategy and Budget.

Our employees are our most valuable asset and our collaboration with our union partners benefits our employees and the citizens of King County. Thank you for your continued support for our employees through your approval of this important proposed legislation.

If your staff have questions, please contact Angela Marshall, Director, Office of Labor Relations, at 206-263-2898.

Sincerely,

for

Shannon Braddock King County Executive The Honorable Girmay Zahilay July 22, 2025 Page 4

Enclosure

cc: King County Councilmembers

ATTN: Stephanie Cirkovich, Chief of Staff, King County Council Melani Hay, Clerk of the Council
Karan Gill, Deputy Executive, Chief of Staff, Office of the Executive Stephanie Pure, Council Relations Director, Office of the Executive Dwight Dively, Director, Office of Performance, Strategy and Budget Angela Marshall, Director, Office of Labor Relations