

**MEMORANDUM OF AGREEMENT
BETWEEN THE
TOWN OF LEXINGTON
AND THE
LEXINGTON PUBLIC EMPLOYEE COMMITTEE**

WHEREAS, the Town of Lexington and the Lexington Public Employee Committee have concluded negotiations on health insurance benefits to be provided July 1, 2010 until June 30, 2012 by the Town to employees, retirees and their dependents and survivors, and,

WHEREAS, the parties agree that the coalition bargaining agreements in effect between the Town and its Unions shall continue in full force and effect except as expressly modified by this Memorandum of Agreement, and

WHEREAS, the Lexington Board of Selectmen voted on December 21, 1993 to accept Section 19 of Chapter 32B,

NOW, THEREFORE, the Public Employee Committee and the Town have entered into this Memorandum of Agreement pursuant to Section 19 of Chapter 32B.

Effective Date and Duration of Agreement

1. This agreement shall take effect on the date this agreement has been executed by the Board of Selectmen and by representatives of the Public Employee Committee constituting 70 percent of the weighted votes of the Committee and shall remain in effect through June 30, 2012.

Premium Contributions

Harvard Pilgrim Health Care HMO Plan

2. Effective July 1, 2010 (withholding begins June 2010) until June 30, 2011, the Town will contribute eighty two and one-half percent (82.5%) of the premium or cost for the **Harvard Pilgrim Health Care HMO Plan** and the subscriber shall contribute seventeen and one-half percent (17.5%):

- In-hospital (not skilled nursing or rehabilitation facilities) copayments increase from zero (\$0) to \$250.00 per in-patient hospitalization, with a cap of three (3) copayments per subscriber per plan year.
- Emergency room visits increase from \$30.00 to \$75.00.
- Office visit copayments increase from \$10.00 per visit to \$15.00 per visit.
- Prescriptions RETAIL (up to 30 day supply) increase
 - From: \$10-Tier 1, \$20-Tier 2 and \$35-Tier 3
 - To: \$15-Tier 1, \$25-Tier 2 and \$35-Tier 3.

- Prescriptions MAIL ORDER increase
From: 90-day supply for \$10-Tier 1, \$20-Tier 2 and \$35-Tier 3
To: 90-day supply for \$30-Tier 1, \$50-Tier 2 and \$70-Tier 3.

3. Effective July 1, 2011 (withholding begins June 2011) until June 30, 2012, the Town will contribute eighty percent (80%) of the premium or cost for the **Harvard Pilgrim Health Care HMO** Plan and the subscriber shall contribute twenty percent (20%):

- No further plan design changes in the 2011-2012 plan year.

Blue Cross Blue Shield Network Blue Plan

4. Effective July 1, 2010 (withholding begins June 2010) until June 30, 2011, the Town will contribute eighty two and one-half percent (82.5%) of the premium or cost for the **Blue Cross Blue Shield Network Blue** Plan and the subscriber shall contribute seventeen and one-half percent (17.5%):

- In-hospital (not skilled nursing or rehabilitation facilities) copayments increase from zero (\$0) to \$250.00 per in-patient hospitalization, with a cap of three (3) copayments per subscriber per plan year.
- Emergency room visits increase from \$25.00 to \$75.00.
- Office visit copayments increase from \$10.00 per visit to \$15.00 per visit.
- Prescriptions RETAIL (up to 30 day supply) increase
From: \$10-Tier 1, \$20-Tier 2 and \$35-Tier 3
To: \$15-Tier 1, \$25-Tier 2 and \$35-Tier 3.
- Prescriptions MAIL ORDER increase
From: 90-day supply for \$10-Tier 1, \$20-Tier 2 and \$35-Tier 3
To: 90-day supply for \$30-Tier 1, \$50-Tier 2 and \$70-Tier 3

5. Effective July 1, 2011 (withholding begins June 2011) until June 30, 2012, the Town will contribute eighty percent (80%) of the premium or cost for the **Blue Cross Blue Shield Network Blue** Plan and the subscriber shall contribute twenty percent (20%):

- No further plan design changes in the 2011-2012 plan year.

Blue Cross Blue Shield Blue Choice Plan

6. Effective July 1, 2010 (withholding begins June 2010) until June 30, 2012, the Town will continue to contribute eighty percent (80%) of the premium or cost for the **Blue Cross Blue Shield Blue Choice PPO** Plan and the subscriber shall continue to contribute twenty percent (20%):

- In-hospital (not skilled nursing or rehabilitation facilities) copayments increase from zero (\$0) to \$250.00 per in-patient hospitalization, with a cap of three (3) copayments per subscriber per plan year.
- Emergency room visits increase from \$25.00 to \$75.00.
- Office visit copayments increase from \$10.00 per visit to \$15.00 per visit.
- Prescriptions RETAIL (up to 30 day supply) increase
From: \$10-Tier 1, \$20-Tier 2 and \$35-Tier 3
To: \$15-Tier 1, \$25-Tier 2 and \$35-Tier 3.
- Prescriptions MAIL ORDER increase
From: 90-day supply for \$10-Tier 1, \$20-Tier 2 and \$35-Tier 3
To: 90-day supply for \$30-Tier 1, \$50-Tier 2 and \$70-Tier 3
- No further plan design changes in the 2011-2012 plan year.

Blue Cross Blue Shield Blue Care Elect

7. Effective July 1, 2010 (withholding begins June 2010) until June 30, 2012, the Town will continue to contribute eighty percent (80%) of the premium or cost for the **Blue Cross Blue Shield Blue Care Elect POS** Plan and the subscriber shall continue to contribute twenty percent (20%):

- In-hospital (not skilled nursing or rehabilitation facilities) copayments increase from zero (\$0) to \$250.00 per in-patient hospitalization, with a cap of three (3) copayments per subscriber per plan year.
- Emergency room visits increase from \$25.00 to \$75.00.
- Office visit copayments increase from \$10.00 per visit to \$15.00 per visit.
- Prescriptions RETAIL (up to 30 day supply) increase
From: \$10-Tier 1, \$20-Tier 2 and \$35-Tier 3
To: \$15-Tier 1, \$25-Tier 2 and \$35-Tier 3.
- Prescriptions MAIL ORDER increase
From: 90-day supply for \$10-Tier 1, \$20-Tier 2 and \$35-Tier 3
To: 90-day supply for \$30-Tier 1, \$50-Tier 2 and \$70-Tier 3
- No further plan design changes in the 2011-2012 plan year.

Medicare Supplement Plans

8. Effective July 1, 2010 (withholding begins June 2010) until June 20, 2012, the Town will continue to contribute eighty percent (80%) of the premium or cost for **Medex 3, Managed Blue for Seniors and Harvard Pilgrim First Seniority** and the subscriber (i.e., retiree, retiree's spouse, surviving spouse) shall continue to contribute twenty percent (20%).

Salary Increases

9. Notwithstanding the collective bargaining process pursuant to Chapter 150E, the parties agree to amend the salary schedules contained within the collective bargaining agreements of the member unions of the Public Employee Committee, by adding \$500 to base wages, on an annualized basis, to the following collective bargaining agreements:

Municipal Bargaining Unit	Contract Period	Wage Schedule	Effective Date
AFSCME Local 1703 DPW	07/01/2007 - 06/30/2009	Exhibit B	July 1, 2010
IAFF Local 1491 Fire	07/01/2007 - 06/30/2009	Exhibit A	July 1, 2010
Lexington Police Association	07/01/2009 - 06/30/2010	Appendix A	July 1, 2010
IBPO Local 501 Police Superiors	07/01/2009 - 06/30/2010	Article 10	July 1, 2010
AFSCME Local 1703 Dispatchers	07/01/2007 - 06/30/2009	Attachment 1	July 1, 2010
Cary Memorial Library Staff Assoc.	07/01/2007 - 06/30/2009	Appendix B	July 1, 2010
Lexington Municipal Employee Assoc.	07/01/2007 - 06/30/2009	Exhibit C	July 1, 2010
Lexington Municipal Managers Association	07/01/2007 - 06/30/2009	Exhibit C	July 1, 2010
AFSCME Local 1703 Building Maintenance	07/01/2009 - 06/30/2010	Appendix C	July 1, 2010
Lexington Education Association – Unit A	09/01/2009 – 08/31/2010	Appendix C	Beginning at the start of the 2010-2011 School year
Lexington Education Association – Unit C	09/01/2009 – 08/31/2010	Article 5	Beginning at the start of the 2010-2011 School year
Lexington Education Association – Technology Unit	09/01/2009 – 08/31/2010	Article 5	Beginning at the start of the 2010 School year
Association of Lexington Administrators	07/01/2009 – 06/30/2010	Article XXIV	July 1, 2010
Lexington Educational Secretaries Association	07/01/2009 – 06/30/2010	Appendix A	July 1, 2010
SEIU Local 888 School Custodians and Maintenance Workers	07/01/2007 – 06/30/2010	Schedule A	July 1, 2010

For Fair Labor Standards Act (FLSA) non-exempt employees, the \$500 base wage increase for Town employees shall be calculated on an hourly basis on the number of hours in the regular workweek for full-time employees, times 52.2 weeks per year, as shown in the table above; for school employees, the \$500 base wage increase shall be calculated on the annualized contract hours of each job classification within the school bargaining units, as shown in the table.

Flexible Spending Accounts

10. The Town will extend the open the enrollment period for the Flexible Health Spending Accounts, until June 18, 2010.

Requests for Information

11. When the Committee makes requests for information necessary to carry out its responsibilities under this agreement and the provisions of Section 19 of Chapter 32B, the Town shall provide such information.

Health Coverage after June 30, 2012

12. The Town, through its Board of Selectmen and the Public Employee Committee, will begin negotiations for a successor agreement pursuant to Section 19 of Chapter 32B no later than October 1, 2011.

Effect of Legislation

13. Should the General Court of the Commonwealth of Massachusetts enact any state law authorizing the Board of Selectmen and/or the Town Manager or any other representative to unilaterally implement health insurance plan design changes without collective bargaining and should the Board of Selectmen, Town Manager or any representative implement plan design changes without collective bargaining at any time, the premium split for such plans (i.e. Blue Cross Network Blue and Harvard Pilgrim HMO) will revert back to an eighty-five percent (85%) contribution by the Town and a fifteen percent (15%) contribution by the subscriber on the date the plan design changes are implemented.

Effect of Agreement

14. This agreement shall be binding on all subscribers and shall supersede any conflicting provisions of any previous Agreements between the Town and the Public Employee Committee.

15. This agreement requires funding by Town Meeting. The parties agree it is not the intent of the Town to call a Special Town Meeting for this purpose, but to schedule a vote at the next scheduled Town Meeting.

16. Should Town Meeting not authorize a transfer of funds for the salary increase as referred to in Section 9, the parties agree that:

- At the next regularly scheduled payroll following Town Meeting's vote, the employer/employee contribution percentage split for health insurance will revert to 85% employer / 15% employee for Blue Cross Network Blue and Harvard Pilgrim HMO;
- Effective July 1, 2011, the plan design changes referenced in Sections 2, 4, 6 and 7 of this agreement shall revert to the June 30, 2010 benefit levels;
- Effective July 1, 2011, the \$500 in additional compensation referenced in Section 9 of this agreement will be rescinded;
- This reversions found in this Section will remain in effect through June 30, 2012.

17. Each signatory to this agreement is authorized to bind the entity he/she represents.

Executed on behalf of the Town of Lexington:

Date

Carl F. Valente, Town Manager

Executed on behalf of the Public Employee Committee:

Date

Phyllis Neufeld, Co-Chair and LEA Unit A

Date

Robert Cunha, Co-Chair and IAFF
Local 1491, Fire Union

Date

Ron Russo, AFSCME 1703, DPW

Date	Dan Griffith, AFSCME 1703, Custodians
Date	Charles Crayton, Lexington Police Assoc.
Date	Joseph O’Leary, IBPO, Local 501
Date	Frank San Severino, AFCME 1703, Dispatchers
Date	Peggy Bateson, Cary Mem. Library Assoc. Local 4928, MLSA, AFT-Mass, AFL-CIO
Date	David Pinsonneault, LMMA
Date	Kathy Fox, Bruce Dempsey, LMEA
Date	Phyllis Neufeld, LEA – Unit C
Date	Phyllis Neufeld, LEA – Technology Unit
Date	David Lautman, Lexington Administrators
Date	Kathleen O’Brien Caricone, Lexington Educational Secretaries Assoc.
Date	William Murray ,SEIU Local 888, Custodians and Maintenance Workers
Date	Retiree Representative