

## Health Benefit Pooling Rules for the 2010 Contract Year

Plans		Premium Cost	VEBA	EE Minimum Cost
Group Health Value (5%)				
	EE	\$545.46	\$80.00	\$27.00
	EC	\$856.71	\$80.00	\$43.00
	ES	\$960.46	\$80.00	\$48.00
	EF	\$1,271.71	\$80.00	\$64.00
Uniform Medical Plan (7%)				
	EE	\$564.22	\$60.00	\$39.00
	EC	\$889.54	\$60.00	\$62.00
	ES	\$997.98	\$60.00	\$70.00
	EF	\$1,323.30	\$60.00	\$93.00
Group Health Classic (10%)				
	EE	\$594.75	\$50.00	\$59.00
	EC	\$942.97	\$50.00	\$94.00
	ES	\$1,059.04	\$50.00	\$106.00
	EF	\$1,407.26	\$50.00	\$141.00
Aetna Public Employee Plan (15%)				
	EE	\$655.46	\$30.00	\$98.00
	EC	\$1,049.21	\$30.00	\$157.00
	ES	\$1,180.46	\$30.00	\$177.00
	EF	\$1,574.21	\$30.00	\$236.00
Non-Med Coverage Only		\$130.46	\$250.00	\$0.00

Minimum monthly costs for individual employees are set by the table provided above for each plan and coverage option. Actual employee costs are based on a balance of plan selections made by the entire group in the pool at the beginning of each year (or upon eligibility). If overall plan selections utilize all pooling dollars individual employees will pay the additional unpaid amount of their premium.

If the overall demographic of plan selection causes a negative balance to the health benefit pool the SEIU and the Employer will meet at the beginning of each Quarter year (January, April, July, October) to adjust minimum out-of-pocket costs and/or VEBA contributions to bring the pool back into balance.

It is a goal of the pool to build a reserve fund to minimize out-of-pocket fluctuations from quarter to quarter. If unused funding remains in the pool it will be set-aside in reserve to be used for this purpose. It shall be determined by the SEIU at the end of each plan year if and how reserve funds shall be retained in reserve and/or distributed back to the SEIU membership through premium buy down and/or VEBA contributions in the next benefit plan year.

Voluntary Employees Beneficiary Association (VEBA) contributions will be paid on a monthly basis to each eligible employees account based on the allocation schedule above.

## 2009 End Year Reserve Fund Report and 2010 VEBA Distribution Plan

At the end of 2009 the SEIU health benefit pool has in reserve a total of \$26,530.36. The goal of the SEIU leadership is to retain enough of a reserve to help buffer the pool from any fluctuations during the course of the 2010 benefit year and beyond. The SEIU leadership has determined to begin the 2010 benefit year with \$13,527.68 in reserve and distribute the remaining amount as a one time VEBA distribution to those members eligible for benefits during the 2009 benefit year in January 2010.

Members shall receive a VEBA distribution using the amount of the pooling dollars they used and the number of months they participated in the benefit plan as factors in determining their individual VEBA Distribution. *(ie: if a member selected a plan that cost more than the \$850.00/FTE employer contribution they received funds from the pool and their VEBA distribution will be less. A member who selected a benefit plan that cost less than the \$850/FTE gave funds to the pool and will receive a higher VEBA distribution.)*

The VEBA distribution amounts shall be determined as follows:

A = Largest Employee Amount Received from Pool (-\$545.08)

B = Amount taken or added to Pool by Employee (-\$545.08 to \$475.55)

ECP = Employee Contribution Points

MD = Minimum Distribution (\$250.00)

MIP = Months in Plan

$$\text{ECP} = ((A - B) - 1) * -1) * 40\%$$

$$\text{VEBA Distribution} = ((MD + ECP) / 12) * MIP$$

**2010 VEBA Distribution Plan Member Distribution Amounts**

<b>Member</b>	<b>VEBA Distribution</b>
Alvord	\$658.65
Arce	\$566.89
Burris	\$250.40
Burton	\$566.89
Butler	\$658.65
Dishon	\$96.90
Feay	\$658.65
Giesy	\$250.40
Hansen	\$566.89
Hasty	\$413.17
Heller	\$294.18
Holboy	\$250.40
Holmes	\$62.60
Hustead	\$566.89
Ivan	\$244.05
Johnson	\$70.94
Kruger	\$585.71
Meehan	\$294.18
Moore	\$250.40
Morrison	\$585.71
Nybo	\$413.17
Oosterhof	\$413.17
Parker	\$566.89
Rael	\$107.74
Ray	\$283.77
Rodenberger	\$658.65
Sackman	\$430.96
Shelman	\$566.89
Stein	\$97.62
Stinson	\$430.96
Taylor	\$566.89
Weimer	\$573.42
	\$13,002.68