



LYNN TEACHERS UNION

LOCAL 1037

AMERICAN FEDERATION OF TEACHERS

AFFILIATED WITH AFL-CIO

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LYNN PUBLIC EMPLOYEE COALITION HEALTH INSURANCE AGREEMENT FACT SHEET

Why Did the Union Coalition Enter Negotiations with the City: The City of Lynn and Lynn’s municipal unions engaged in collaborative and substantive negotiations in the Winter and Spring of 2019 regarding the issue of health insurance for the employees, dependents, and retirees of the City of Lynn. The resulting agreement ensured fiscal sustainability, while maintaining the City’s commitment to high quality health care for employees, dependents and retirees.

Whereas the current agreement ends June 30, 2019, the Public Employee Coalition proposed and the City of Lynn agreed that the agreement executed on June 6, 2019 will be the insurance plan for the next three years, starting on July 1, 2019 and ending on June 30, 2022.

What Does the Proposed Health Insurance Agreement Do:

- a. Administrator: The City will continue to use Harvard Pilgrim Health Care as its plan administrator.
- b. Length of Agreement: The proposed agreement would cover the next insurance plan year, starting on July 1, 2019 and ending on June 30, 2022.
- c. Premium Contribution Changes: Under the agreement, Medicare-eligible Retirees will continue to pay 25% of the cost of their Medicare Supplemental plan. Active employees and non-Medicare Retirees would pay the following percentages of premiums:

Plan and Coverage Type	Employee Contribution Percentage <i>[current plan]</i>	Employee Contribution Percentage <i>[proposed plan]</i>
PPO Individual Coverage	30%	30%
PPO Family Coverage	30%	30%
HMO Individual Coverage	16%	23%
HMO Family Coverage	19.6%	23%
New Employees HMO Individual and Family	N/A	25%

d. Plan Design Changes: Under the agreement, the plan will have the following copay

Plan	Plan Feature	Current Plan Design	New Plan Design
PPO	Office Visit Copay	\$20	\$25
	Emergency Room Copay	\$100	\$100
	Mail Order Drug Copay [3 months]	\$20/\$40/\$80	\$20/\$40/\$80
	In-Patient Hospitalization Copay	\$50	\$50
	Out-Patient Copay	\$50	\$50
HMO	Office Visit Copay	\$20	\$25
	Emergency Room Copay	\$100	\$100
	Mail Order Drug Copay [3 months]	\$20/\$40/\$80	\$20/\$40/\$80
	In-Patient Hospitalization Copay	\$50	\$50
	Out-Patient Copay	\$50	\$50

- e. Other Features: Under the agreement the City and the Public Employee Coalition will provide the following three programs:
- i. The City will continue to provide a Flexible Spending Account [FSA] program, which will lower the impact of copay fees.
 - ii. The City will continue to provide a wellness program, which will assist plan participants with diabetes to manage their condition.
 - iii. The City will continue to provide a pharmacy-purchasing program to lower the out-of-pocket cost of prescription drug.