

Section 5. Retiree Medical Plan

Effective August 1, 1993, and as amended herein by the Board of Supervisors, the County shall administer a Retiree Medical Plan (Plan) for employees to include a Retiree Medical Grant (Grant) or a lump sum benefit (Lump Sum) as set forth below. New employees hired on or after June 19, 2009 are not eligible for the Grant. New employees hired on or after June 23, 2006 are not eligible for the Lump Sum.

A. Retiree Medical Grant

1. Effective August 1, 1993 and as amended by the Board of Supervisors, the County implemented a Retiree Medical Plan ("the Plan") for employees who have retired from County service and who meet certain eligibility requirements of the Plan. The Plan does not create any vested rights to the benefits on the part of any employee, retiree, or any other person. Upon paid County retirement, an eligible retiree who meets certain eligibility requirements of the Plan shall receive a Grant. The Grant may be applied only towards the cost of retiree and dependent coverage in an AOCDS health insurance plan and/or Medicare Part B premiums as provided below.
 - a. Upon implementation for eligible retirees, the Grant shall be an amount based on ten (10) dollars per month for each full year of credited service to a maximum of twenty-five years. In each calendar year, the amount of such Grant shall be adjusted by the average percentage increase in County retiree health plan premiums, not to exceed three (3) percent per year. In no case shall the Grant exceed the actual cost of the health insurance and/or Medicare premiums.
 1. The accruals of years of service towards the Grant amount for employees were frozen as of June 19, 2009 (the beginning of the pay period of Board adoption).
 - b. The Grant will be adjusted as follows:
 1. The Grant for all eligible retirees (including retirees on disability) and surviving dependents will be reduced by fifty percent (50%) the first day of the month the retiree or surviving dependent becomes eligible for Medicare Part A (without paying a premium) and Medicare Part B, or immediately if the retiring employee is eligible for Medicare Part A (without paying a premium) and Medicare Part B, as of the date of retirement.
 2. The Medicare reductions in provisions A.1.b.1 do not apply to a retiree or surviving dependent eligible for the Grant who was retired and was eligible for Medicare Part A (if eligible at

no cost) and Medicare Part B on or before September 26, 2006.

- c. All employees who become eligible for a Grant shall be provided a one (1) time opportunity of at least thirty (30) days from the date they retire to enroll in an AOCDS offered health plan or Medicare. Should a retiree fail to enroll during the aforementioned thirty (30) day period or should he or she terminate coverage or fail to make necessary payments, the retiree and dependents shall forfeit any eligibility for a Grant, if eligible, and enrollment in a County offered retiree health plan.

B. Retiree Medical Plan Lump Sum: Termination; Phase Out

1. An employee who was employed by the County prior to June 23, 2006 and who separates from County service prior to meeting the eligibility requirements for the Grant shall receive a lump sum (Lump Sum benefit) cash payment in accordance with B. 2. below.
2. An employee who was employed by the County prior to June 23, 2006, who thereafter separates from the County and who does not qualify for a Grant shall receive a Lump Sum benefit equal to one percent (1%) of his or her final average hourly compensation multiplied by his or her qualified hours of service after August 1, 1993 and prior to June 23, 2006. The final average hourly compensation shall be calculated on base salary over the six thousand two hundred forty (6240) regularly paid hours immediately preceding June 23, 2006.
3. Receipt of the Grant shall permanently revoke any claim to a Lump Sum benefit even if the retiree subsequently terminates participation in a County or AOCDS-offered health plan and/or receipt of a Grant. Receipt of the Lump Sum benefit shall permanently revoke any claim to the Grant.

C. Eligibility Requirements for Retiree Medical Grant

1. Retiree must be retired from the County of Orange and receiving a monthly retirement allowance from the Orange County Employees Retirement System (OCERS). Employees hired on or after June 19, 2009 are not eligible for the Grant. For an employee who was continuously employed by the County prior to June 19, 2009, any hours of service performed in periods on or after June 19, 2009 shall be included as a part of the credited service towards the Grant eligibility requirements if the employee is continuously employed by the County from June 19, 2009 until his or her retirement. Accrual towards the Grant amount is frozen as set forth in Section 5.A.1.a.1.

Hours of service performed in periods before August 1, 1993 shall be counted toward credited service only if the employee is continuously employed by the County from August 1, 1993 until his or her retirement.

2. Retiree must have retired with at least ten (10) years of credited County service except as provided in C.2.a., b., c., and d., below:
 - a. A retiree who was hired before June 19, 2009 and receives a service-connected disability retirement pension through OCERS shall be eligible for a Grant regardless of their actual years of credited County service. Their Grant shall be based upon the actual years of credited County service.
 - b. A retiree who was hired before June 19, 2009 with a minimum of five years of credited County service who receives a non-service connected disability retirement pension through OCERS shall be eligible for a Grant based on actual years of credited County service. An employee with less than five (5) years of credited County service who receives a non-service connected disability retirement pension through OCERS shall not be eligible for a Grant.
 - c. A separated employee with less than ten (10) years of credited County service who has requested a service or non-service connected disability retirement pension through OCERS shall not be eligible to receive either the Grant or the Lump Sum benefit until a determination of disability status is made by the Orange County Board of Retirement.
 - d. A separated employee who receives a Lump Sum benefit pursuant to this Section shall be ineligible for the Grant if, at a later date, the OCERS grants a disability retirement.
3. All eligible retirees and enrolled dependents who are age sixty-five (65) or older, or Medicare eligible (i.e. early Medicare), must be enrolled in Medicare Part B in order to be eligible for the Grant. All eligible retirees and dependents who are entitled to Medicare Part A coverage at no cost must be enrolled in Medicare Part A to be eligible to receive the Grant.
4. Deferred Retirement
 - a. An employee who is eligible for paid retirement at the time he or she separates from County service, but elects deferred retirement, may defer participation in the Grant until such time as he or she becomes an active retiree.
 - b. An otherwise eligible employee who is not eligible for paid retirement at the time he or she separates from County service but is eligible for and elects deferred retirement shall not become eligible for participation in the Grant.

5. For purposes of this Section, a full year of credited service shall mean those regular hours the employee worked for the County as a regular, limited-term and/or probationary employee. Two thousand eighty (2080) regular hours, exclusive of overtime, shall equal one full year of service. Hours of service performed in periods before August 1, 1993 shall be counted toward credited service only if the employee is continuously employed by the County from August 1, 1993 until his or her retirement.

D. Survivor Benefits

1. A surviving dependent of a retiree who was eligible to receive a Grant, as stated above in [Section 5.A](#) through C, shall be eligible for fifty (50) percent of the Grant authorized for the retiree.
2. A surviving eligible ACLEM retiree who qualifies for a monthly retirement allowance who was married to an ACLEM, AOCDS, or County retiree who was also eligible for a Grant shall receive the survivor benefit described in D.1., above, or his or her own Grant, whichever is greater. A retiree may not receive both a benefit as a surviving dependent, as stated in D.1. and his or her own Grant.

E. Employee Contribution

1. Except as provided in E.2., E.3., and E.4. below, effective June 19, 2009, employees shall continue to contribute three and six-tenths percent (3.6%) of their bi-weekly base salary, exclusive of overtime and premium pay, to offset the Annual Required Contribution (ARC) to continue the Grant for eligible retirees. Contributions shall be transferred to the County of Orange Retiree Medical Trust.
2. Except as provided in E.4. below, employees hired on or after the first day of the first full pay period that falls in the month after Board adoption of a Resolution adopting the "3% at 55" safety retirement formula shall contribute two percent (2%) of their bi-weekly base salary, exclusive of overtime and premium pay, through payroll deductions to offset the Annual Required Contribution for the Retiree Medical Program. Contributions shall be transferred to the County of Orange Retiree Medical Trust.
3. Effective either at the start of the first payroll period commencing on or after the Board of Supervisors' adoption of the 2015-2018 MOU or the first pay period commencing on or after July 10, 2015, whichever is the latter, employees covered under the "3% at 50" safety retirement formula shall have their ARC contribution reduced from 3.6% to 1.6% of their bi-weekly base salary, exclusive of overtime and premium pay, through payroll deductions to offset the Annual Required Contribution for the retiree medical program. Contributions shall be transferred to the County of Orange Retiree Medical Trust.

4. Effective either at the start of the first payroll period commencing on or after the Board of Supervisors' adoption of the 2015-2018 MOU or the first pay period commencing on or after July 10, 2015, whichever is the latter, employees covered under the "3% at 55" safety retirement formula shall have their ARC contribution reduced from 2.0% to 0% of their bi-weekly base salary, exclusive of overtime and premium pay, through payroll deductions to offset the Annual Required Contribution for the retiree medical program. Contributions shall be transferred to the County of Orange Retiree Medical Trust.

F. General Provisions

1. AOCDS shall administer the health insurance program for retirees of this unit, subject to the requirements set forth in this section.
2. Retiree health plan premiums shall be 10% higher than active employees' health plan premiums.
3. AOCDS and ACLEM shall provide to the County all information necessary for the County to administer the Plan including, but not limited to, retiree health insurance enrollment information, verification of Medicare enrollment and verification of the premiums for all health insurance plans.

G. Health Reimbursement Account

Effective October 12, 2007, the County established a Health Reimbursement Account (HRA) for current and future employees. Members of ACLEM began participation in the HRA on June 19, 2009. The County and the HRA administrator, with the oversight of the Health Reimbursement Account Advisory Committee, shall administer the program subject to the requirements set forth in the Internal Revenue Code and the Health Reimbursement Arrangement Plan Document.

1. Effective June 19, 2009, employees began contributions of one (1) percent of their bi-weekly base salary, exclusive of overtime and premium pay, to fund their Health Reimbursement Account Plan.
2. Effective June 19, 2009, the County began contributions of one (1) percent of each eligible employee's bi-weekly base salary to fund their Health Reimbursement Account Plan.
3. Effective November 11, 2016, the County began contributions of two (2) percent of each eligible employee's bi-weekly base salary to fund their Health Reimbursement Account Plan. The employee contribution referenced in subsection 1 above, shall be reduced from one (1) percent to zero (0) percent.

4. Effective as of July 6, 2018, the County will contribute four (4) percent of each eligible employee's bi-weekly base salary to fund their Health Reimbursement Account Plan.

Section 6. Reopener and Responsibilities of Parties as a Result of ACA

The County may reopen negotiations on this Article and other provisions of the MOU (e.g., Optional Benefits program in Article VII, Section 4, Flexible Spending Accounts in Article XX), for purposes of addressing issues resulting from the implementation of the Patient Protection and Affordable Care Act (ACA), including but not limited to, the potential impact of the Excise Tax (commonly known as the "Cadillac Tax") on high cost employer-sponsored health coverage. Federal administrative agencies have not yet issued definitive guidance regarding the Excise Tax is expected to begin in 2018. The parties acknowledge that some of the benefits provided in the MOU may be included in the coverage to which the Excise Tax liability may apply. As a result, the issues that likely need to be addressed are: which health group plan coverages must be taken into consideration for purposes of this tax, how to calculate this tax, and what steps, if any, can be taken to avoid payment of the Excise Tax (e.g., modification of benefits).

The Parties acknowledge that ACLEM members are enrolled in health plans administered by AOCDS. The parties are uncertain about the issues referred to above, but expect that these issues will be addressed in future negotiations between the County and AOCDS.

ACLEM agrees to be bound by any agreements between the County and AOCDS reached as to these issues with the understanding that it may be necessary to modify any such agreements to reflect differences that exist between the bargaining units regarding levels of payments made, etc.

ACLEM agrees to ensure that the County receives any and all information necessary for the County to complete reporting under IRC sections 6055 and 6056 or other reporting as required by the Patient Protection and Affordable Care Act or any other state or federal requirements.

If any fees, assessments or penalties are charged to the County (as the employer) as a result of any failure to meet the health care reform requirements outlined above in conjunction with the health care benefits provided by the AOCDS medical plan Trust, ACLEM agrees to be bound by any agreement reached between the County and AOCDS regarding payment of said fees, assessments or penalties.

For the purposes of distributing any potential rebates received under the Minimum Loss Ratio rules, the County will use any such rebates to reduce the premium share for members covered by the benefit plan or option generating the rebate.

ARTICLE XIV SAFETY

Section 1. General Provisions

- A. The parties recognize that due to the nature of law enforcement, employees are required to work under conditions dangerous to the employee's health or safety.
- B. Nonetheless, the County shall make a reasonable effort to provide and maintain a safe place of employment. Employees shall be alert to unsafe practices, equipment, and conditions and report any such unsafe practices, equipment or conditions to their immediate supervisors. Employees shall follow safe practices and obey reasonable safety rules during the hours of their employment.
- C. Any employee who either does not receive an answer to a safety-related question from his or her supervisor within three (3) days or receives an answer which the employee deems unsatisfactory may directly contact the County Safety Officer.
- D. Any employee who is directed to perform a task which the employee in good faith feels is unsafe may request an immediate investigation from the Safety Officer. During the period that the Safety Officer is conducting an investigation, the employee will be assigned to other work at no loss of earnings. If the Safety Officer concludes the task complained of is safe, the employee shall perform the work as instructed.
- E. The County shall furnish all equipment which is necessary for employees to perform their job in a safe manner.
- F. Wherever practicable, the County shall provide the necessary first aid kits in each location.
- G. Wherever practicable, the County shall provide first aid training for one (1) employee at each new work location.

Section 2. Abatement of Violations

In any instance in which the County is cited for a violation of CAL/OSHA, the County shall abate the cited hazard to health or safety within the abatement period required.

ARTICLE XV PAYROLL DEDUCTION OF DUES AND INSURANCE
PREMIUMS AND EMPLOYEE INFORMATION LISTING

Section 1. Payroll Deduction/Membership

A. Each employee in the Representation Unit hired by the County on or after June 1, 2018, must make an affirmative election in order to become a member of ACLEM. ACLEM must notify the County in writing of any new employee that joins.

B. ACLEM shall notify the County, in writing, as to the amount of dues, deductions and service fees required of members of ACLEM and also the amount of insurance premiums required of employees.

C. ACLEM must notify the County of any employee requesting to be removed from ACLEM membership. ACLEM will indemnify the County from any claim that fees were wrongfully collected as the result of its failure to notify the County of membership changes.

D. The County shall rely on the notification of new membership and election of dues deductions supplied by ACLEM. ACLEM will indemnify the County from any claim of wrongful deduction made by an employee based on the County's reliance on the notice provided.

E. Pursuant to the notification provided by ACLEM in Section 1.A. and B. above, the County will deduct the amount of dues, deductions, service fees, and insurance premiums as determined by ACLEM and any change shall be implemented by the County in the first pay period which commences thirty (30) days after written notice of the change is received by the Chief Human Resources Officer.

F. The County shall promptly transmit the dues, deductions, service fees, and insurance premiums so deducted to ACLEM.

G. The foregoing is to reflect the parties understanding of its rights, responsibilities, and duties under the following statutes:

Government Code Sections 1152, 1157.3, 1157.12 and SB 866.

The parties are not waiving their rights under these statutes, all of which are reserved.

H. Dues, deductions, and service fees include, but are not limited to, "membership dues, initiation fees, and general assessments, as well as payment of any other membership benefit program sponsored by the organization" per Government Code section 1152 and "dues in, or for any other service, program, or committee provided or sponsored by, any employee organization" per Government Code section 1157.3.

APPENDIX A

Classes included in the Law Enforcement Management Unit as of January 1, 2021.

6138ML	Lieutenant
6141ML	Commander
6531ML	Investigative Commander, DA
6534ML	Assistant Chief Investigator, DA