

Management Proposal

Bargaining Unit: 10

Exclusive Representative: CAPS

Date:

Subject: NEW – State Contribution to Health Savings Account

Article 5.XX Employer Health Savings Account Contribution

A. Effective January 1, 2016, the state will make a contribution to an employee-owned Health Savings Account. To be eligible for this contribution:

1. The employee must be positively enrolled in a High Deductible Health Plan qualified by the Internal Revenue Service to be offered with a Health Savings Account. The employee's positive enrollment must be during the same calendar year in which the employer Health Savings Account contribution is made.

2. The employee must abide by specifications of the HSA program administration as developed by CalHR.

B. The State shall contribute \$400 per year for coverage of an eligible employee (party code one). These contributions shall be divided in to quarterly installments in the calendar year.

The State shall contribute \$800 per year for coverage of an eligible employee plus one or more dependents (party codes two and three). These contributions shall be divided in to quarterly installments in the calendar year.

C. The State shall contribute an additional \$100 per year of coverage of an eligible employee if the employee participates in an annual health evaluation facilitated by a process established by CalHR. This contribution shall not vary by number of dependents enrolled in the employee's health benefit plan. The additional contribution to the Health Savings Account shall only be made if the employee is positively enrolled in a High Deductible Health Plan qualified by the Internal Revenue Service. The additional contribution for participating in an annual health evaluation shall not be contingent on any further action by the employee or on the results of the evaluation.

D. The employer contribution amounts shall not be increased in subsequent years without a negotiated agreement.

E. The parties agree to support any legislation and CalPERS Board of Administration action necessary to facilitate and implement this provision.