



**Agreement between**  
**The City of Fitchburg, MA**  
**And**  
**The Public Employee Committee**  
**Fiscal Years**  
**July 1, 2017 – June 30, 2018**  
**July 1, 2018 – June 30, 2019**

AFSCME/Local 93  
Clerical Union

Fitchburg  
Association of  
Managers,  
Administrators and  
Specialty Skills

Fitchburg Education  
Association

Fitchburg Education  
Association - Aides

Fitchburg Education  
Association  
Custodians

Fitchburg Permanent  
Firefighters Association  
IAFF Local 3128

Fitchburg Police  
Union

MA Laborers/District  
Council/Local 39/DPW

Fitchburg Public  
Library

Fitchburg Public  
Schools/Clerical  
Association

Fitchburg  
Association  
Administrators  
Association

Fitchburg Public  
Schools/Cafeteria  
Workers

Fitchburg School  
Nurses Association

SEIU/Local 888  
Wastewater Treatment

SEIU/Local 888  
Inspectors Union

Retired State, County  
and Municipal  
Employees Association

Teamsters' Local 170/Civilian  
Dispatchers and Airport Linemen



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**THIS CONTRACT SHALL COVER THE PERIOD FROM  
JULY 1, 2017 THROUGH JUNE 30, 2019.**

**PREAMBLE**

This Agreement is entered into this, the 13<sup>th</sup> day of April, 2017, by and between the **City of Fitchburg** (hereinafter referred to as the "**City**") and the **Fitchburg Public Employee Committee** (hereinafter referred to as the "**PEC**"). The City and the PEC are hereinafter collectively referred to as the "**Parties.**" This Collective Bargaining Agreement is pursuant to **M.G.L. c. 32B, §19**, as amended by **Chapter 67 Acts of 2007**.

**Whereas**, the PEC, as part of the provisions of this Agreement, supported the adoption of **M.G.L. c. 32B, §18** as presented at the March 2009 Fitchburg City Council meeting and terms contained herein.

**Whereas**, the City, on March 24, 2009, by vote of the City Council, adopted **M.G.L. c. 32B, §19**; and

**Whereas**, representatives of each Collective Bargaining unit of the City and a duly appointed retiree representative have joined together to form the PEC, as provided for in **M.G.L. c. 32B, §19**; and

**Whereas**, the PEC has agreed to enter into negotiations with the City to bargain over Health Insurance coverage offered by the City, pursuant to **M.G.L. c. 32B**, as amended.

**Now therefore**, pursuant to the provisions of **M.G.L. c. 32B, §19**, the City and the PEC hereby agree to the following, which shall govern the provisions of Health Insurance offered by the City.

**ARTICLE 1**  
**HEALTH INSURANCE PLANS**

**Section 1.1 Blue Care Elect**

**Blue Care Elect Preferred (PPO) Enhanced Value** is provided by Blue Cross/Blue Shield of Massachusetts.

- **All changes will become effective July 1, 2017.**
- A deductible, with a maximum of \$100 per member participant and \$300 per family, has been added to this Plan.
- The Maximum out of Pocket (MOOP) shall be \$1,500 per member and \$3,000 family.
- The City shall pay 70% of the Plan costs throughout the terms of this Agreement.

**The Plan shall include, but not be limited to, in-network co-payments of:**

TYPE	CO-PAYMENT AMOUNT
Office Visits – Non Specialist	\$20
Office Visits – Specialist	\$25
Preventative Office Visits	\$0
High – Tech Imaging	\$20
Emergency Room Visits (Waived if admitted or for Observation Stay)	\$100
Inpatient Hospital	\$500
Day Surgery in Hospital Setting	\$150
Day Surgery in office Setting	\$20
PRESCRIPTION DRUGS	
TIER	
Tier 1 Generic	\$15
Tier 2 Brand Name	\$30
Tier 3 Non-Preferred for 30 Day Formulary Supplies	\$50
MAIL SERVICE PRESCRIPTION DRUG SERVICE	
Tier 1	\$15
Tier 2	\$30
Tier 3	\$50

**Article 1, Health Insurance Plans, continued:**

**Section 1.2 Blue Choice New England**

**Blue Choice New England (POS) Enhanced Value** is provided by Blue Cross/Blue Shield of Massachusetts.

- **All changes will become effective July 1, 2017.**
- A deductible, with a maximum of \$100 per member participant and \$300 per family, has been added to this Plan.
- The Maximum out of Pocket (MOOP) shall be \$1,500 per member and \$3,000 family.
- The City shall pay 70% of the Plan costs throughout the terms of this Agreement.

**The Plan shall include, but not be limited to, in-network co-payments of:**

<b>TYPE</b>	<b>CO-PAYMENT AMOUNT</b>
Office Visits – Non Specialist	\$20
Office Visits – Specialist	\$25
Preventative Office Visits	\$0
High – Tech Imaging	\$20
Emergency Room Visits (Waived if admitted or for Observation Stay)	\$100
Inpatient Hospital	\$500
Day Surgery in Hospital Setting	\$150
Day Surgery in office Setting	\$20
<b>PRESCRIPTION DRUGS</b>	
<b>TIER</b>	
Tier 1 Generic	\$15
Tier 2 Brand Name	\$30
Tier 3 Non-Preferred for 30 Day Formulary Supplies	\$50
<b>MAIL SERVICE PRESCRIPTION DRUG SERVICE</b>	
Tier 1	\$15
Tier 2	\$30
Tier 3	\$50

**Article 1, Health Insurance Plans, continued:**

**Section 1.3 HMO Network Blue New England**

**HMO Network Blue New England Enhanced Value** is provided by Blue Cross/Blue Shield of Massachusetts.

- **All changes will become effective July 1, 2017.**
- A deductible, with a maximum of \$100 per member participant and \$300 per family, has been added to this Plan.
- The Maximum out of Pocket (MOOP) shall be \$1,500 per member and \$3,000 family.
- The City shall pay 75% of the Plan costs throughout the terms of this Agreement.

**The Plan shall include, but not be limited to, in- network co-payments of:**

<b>TYPE</b>	<b>CO-PAYMENT AMOUNT</b>
Office Visits – Non Specialist	\$20
Office Visits – Specialist	\$25
Preventative Office Visits	\$0
High – Tech Imaging	\$20
Emergency Room Visits (Waived if admitted or for Observation Stay)	\$100
Inpatient Hospital	\$500
Day Surgery in Hospital Setting	\$150
Day Surgery in office Setting	\$20
<b>PRESCRIPTION DRUGS</b>	
<b>TIER</b>	
Tier 1 Generic	\$15
Tier 2 Brand Name	\$30
Tier 3 Non-Preferred for 30 Day Formulary Supplies	\$50
<b>MAIL SERVICE PRESCRIPTION DRUG SERVICE</b>	
Tier 1	\$15
Tier 2	\$30
Tier 3	\$50

**Article 1, Health Insurance Plans, continued:**

**Section 1.4 MEDEX II and Blue Medicare RX (PDP)**

**MEDEX II and Blue Medicare RX (PDP)** is available as Medicare supplementary insurance provided by Blue Cross/Blue Shield of Massachusetts.

- The City shall pay 70% of the Plan costs throughout the terms of this Agreement.
- The City shall continue to provide a voluntary Dental Plan (BlueCross/Blue Shield) or an equivalent plan for all retirees.

**The Plan shall include, but not be limited to, in- network co-payments of:**

<b>TYPE</b>	<b>CO-PAYMENT AMOUNT</b>
Office Visits	\$0 after \$35 per calendar year deductible
Preventative Office Visits	\$0
Emergency Room Visits (Waived if admitted or for Observation Stay)	\$25
Inpatient Hospital	\$50 per admission (maximum of 1 co-pay per calendar quarter)
Day Surgery in Hospital Setting	\$0
Day Surgery in office Setting	\$0
<b>PRESCRIPTION DRUGS</b>	
<b>TIER</b>	
Tier 1 Generic	\$15
Tier 2 Brand Name	\$30
Tier 3 Non-Preferred for 30 Day Formulary Supplies	\$50
<b>MAIL SERVICE PRESCRIPTION DRUG SERVICE</b>	
Tier 1	\$30
Tier 2	\$60
Tier 3	\$100

**Article 1, Health Insurance Plans, continued:**

**Section 1.5 Medicare HMO Blue Care 65**

**Medicare HMO Blue Care 65** is provided by Blue Cross/Blue Shield of Massachusetts.

- The City shall pay 70% of the Plan costs throughout the terms of this Agreement.
- The City shall continue to provide a voluntary Dental Plan (BlueCross/Blue Shield) or an equivalent plan for all retirees.

**The Plan shall include, but not be limited to, in- network co-payments of:**

<b>TYPE</b>	<b>CO-PAYMENT AMOUNT</b>
Office Visits	\$15 for Primary Care, \$30 for Specialty Care
Preventative Office Visits	\$0
Emergency Room Visits (Waived if admitted or for Observation Stay)	\$50
Inpatient Hospital	\$150 per day/Days 1-5 (\$750 annual max)
Day Surgery	\$150
Urgently Needed Care	\$15 per PCP Visit/\$30 per Specialty Visit
Skilled Nursing Facility up to 100 Days	\$50 per day/Days 1-20/\$1,000 maximum
Mental Health and Substance Abuse	\$30 per Visit
Inpatient for Mental Health and Substance Care	\$150 per Day/Days 1-5/\$750 annual maximum
Routine Dental and Hearing	\$30 per Visit/Hearing once per Calendar Year
Vision Care	\$25 per Visit once per Calendar Year
Podiatry and Chiropractic	\$30 per Visit
Physical, Occupational and Speech Therapy	\$15 per Visit
<b>PRESCRIPTION DRUGS</b>	
<b>TIER</b>	
Tier 1 Generic	\$10
Tier 2 Brand Name	\$25
Tier 3 Non-Preferred for 30 Day Formulary Supplies	\$45
<b>MAIL SERVICE PRESCRIPTION DRUG SERVICE</b>	
Tier 1	\$20
Tier 2	\$50
Tier 3	\$90

This Plan is subject to federal regulations. The City has no control over the co-payments.



**Article 1, Health Insurance Plans, Section 1.5, Medicare HMO Blue 65, continued:**

The Affordable Care Act requires that co-payments for office visits, hospital admissions, ambulatory surgery admissions, emergency room services and prescription drug payments shall be applied to the out-of-pocket maximum.

With the signing of this Agreement, the City agrees to abstain from any legislation filed to the City Council related the adoption of M.G.L., c. 32B, §21 through §23.

**ARTICLE 2**  
**ADDITIONAL BENEFITS**

1. The City agrees to provide, at the employee's option, a minimum of Fifteen Thousand Dollars (\$15,000) in Life Insurance coverage to all employees. The City agrees to pay seventy-five percent (75%) of the premium costs with the employee paying twenty-five percent (25%). Each employee shall have the option of applying for the purchase of additional life insurance, up to the lesser of five (5) times his/her salary or \$500,000, with the employee paying one hundred percent (100%) of the additional premium cost and rates based upon the age at which the policy is issued. Coverage will be reduced on a sliding scale for employees who are seventy (70) years of age or older.

The employee shall receive the benefits of any insurance dividend in accordance with the procedure set forth in M.G.L., c. 32B, §8A.

2. The City agrees to provide, at the retiree's option, upon retirement, reduced life insurance coverage, in the amount of Ten Thousand Dollars (\$10,000) to all retirees who carry life insurance through the City of Fitchburg at the time of his/her retirement. All optional life insurance benefits will terminate upon retirement or separation from employment.
3. The City shall cover podiatry benefits for all employees.
4. The City shall continue to provide a voluntary Dental plan, (Blue Cross/Blue Shield) or an equivalent plan, for all employees. The City will provide information on obtaining dental insurance from Delta Dental to eligible retiree.
5. The City shall continue to provide a Cafeteria (125) Flexible Spending Account (FSA) program as is currently offered.
6. The City shall provide information on obtaining pet insurance.
7. One month prior to open enrollment, all City employees and retirees must be contacted with documentation of plan changes and options. Three (3) educational benefits seminars will be scheduled and held, including two (2) in the evening.

**ARTICLE 3**  
**MEDICARE PART-B**

The City agrees that upon the effective date of this Agreement, it shall be responsible for 0% of the Medicare Part-B premium incurred by subscribers enrolled in Medicare Part-B. The reimbursement shall be based on the non-income adjusted rate set by Medicare. Medicare eligible subscribers shall be entitled to reimbursement by the City on a semi-annual basis upon the submission of appropriate documentation from the Social Security Administration.

**ARTICLE 4**  
**COLLECTIVE BARGAINING AGREEMENT TERMS**

1. The Provisions of this Agreement shall supersede any language to the contrary in any Collective Bargaining Agreement regarding health and life insurance issues only.
2. This Agreement shall, except as set forth herein, be subject to M.G.L. c. 32B, §19.
3. The duration of this Agreement shall be from July 1, 2017 through June 30, 2019, on all health plans described herein subject to changes agreed to by the Parties. Either the City or the PEC may give written notice to the other of its desire to extend or revise this Agreement prior to January 1, 2019 and negotiations shall commence prior to February 15, 2019.
4. The duration of this Agreement as set forth herein shall continue thereafter until the new Agreement is reached as provided for in M.G.L. c. 32B, §19.
5. The City shall provide the PEC with **HIPPA** compliant summary claims data on a semi-annual basis or within ten (10) business days after receipt by the City; the purpose of which to provide the PEC with current data as to the progress of the Health Insurance plans contained herein. Only non-confidential information shall be permissible for release to the PEC in order to remain compliant with HIPPA and Massachusetts General Laws.
6. If the City hires a health insurance consultant to review and make recommendations to the City, as is the current practice, the City will notify the PEC of the recommendations of any proposals for health insurance benefits submitted.
  - a. Any expense occurred in hiring a consultant to perform the duties as described below shall be paid by the City.
  - b. Any consultant hired shall not have any financial interests in any company submitting proposals hereunder.
  - c. Any consultant hired shall serve the needs of the City and shall be available as a resource to the PEC subject to the City Treasurer's approval.
7. It is agreed that communications from the City to the PEC shall be done so through the notification of all PEC members. The PEC shall provide the City with current Committee membership information as necessary.
8. The PEC will meet with the Treasurer and/or his/her designee on a semi-annual basis, unless another frequency is agreed to by both Parties. The Treasurer and/or the Mayor shall meet with the PEC on an as need basis with a fifteen (15) calendar day notice, unless it is mutually agreed to suspend the fifteen (15) calendar day notice. The meeting shall have a written agenda sent to all participants seven (7) calendar days prior to the scheduled meeting.
9. Any and all information received during the bid process shall be made available at the request of the PEC to both the City and the PEC.
10. One (1) copy of the master policies of each health plan in effect shall be provided to the PEC with no cost to the PEC.

**Article 4, Collective Bargaining Agreement Terms, continued:**

11. No change to the coverage details contained herein shall be made for the duration of the Agreement unless, as specified, the changes are federal, state or Insurance Provider mandated.
12. Should any Provision of this Agreement be determined to be in violation of federal or state law, or declared invalid by a court of competent jurisdiction or quasi-judicial body having jurisdiction over the Parties hereto and the subject matter of this Agreement, such particular Provision shall be null and void, however, all other Provisions of this Agreement shall remain in full force and effect for the duration of this Agreement or until a new Agreement is agreed upon.
13. The failure of either Party to enforce a Provision shall not be construed as a waiver of such Provision.
14. The City agrees to appropriate such funds, subject to City Council appropriation, and at such times as is necessary to implement this Agreement.
15. It is the intention of the Parties that this Agreement shall serve to define the responsibilities and obligations of the Parties. The Provisions of this Agreement shall remain as an independent contract between the Parties and shall be binding upon the Parties.
16. If the City changes health benefits to a fully insured arrangement, both Parties agree to negotiate the distribution of the remaining funds that are in the presently established claims trust fund.
17. The City agrees that on a semi-annual basis, or as mutually agreed upon, the City shall provide the following to the PEC:
  - Enrollment data for each health insurance plan
  - The claims and administrative charges by month
  - The breakdown of payments for these costs by the City and the employees
  - The total amount collected from the employees by month
  - The total amount paid out for claims each month

**ARTICLE 5**  
**COMPOSITION OF AND APPROVAL BY THE PEC**

**Section 5.1 Composition of PEC**

1. In accordance with Section 19, each Collective Bargaining Unit in the City shall designate a representative for the PEC, which shall also include a retiree representative, who shall be a designee of the Retired State, County and Municipal Employees Association.
2. The PEC shall vote on all matters in accordance with Section 19.

**Article 5, Composition of and Approval by the PEC, Section 5.1, Composition of PEC, continued:**

3. The following Collective Bargaining Units and retirees have negotiating and voting rights consistent with Section 19, on the PEC:

<b>EMPLOYEE GROUP</b>	<b>COLLECTIVE BARGAINING UNIT</b>
Cafeteria	Fitchburg School Cafeteria Workers
Clerical	American Federation of State, County and Municipal Employees (AFSCME)
Clerical/School	Fitchburg Public Schools Clerical Association
Custodial	Fitchburg Education Association, A + B
Dispatchers	Teamsters Local 170 (Civilian Police Dispatchers and Airport Linemen)
DPW	MA Laborers District Council/Local 39
Fire	Fitchburg Permanent Firefighters Association /Local 3128
Inspectors	Service Employees International Union (SEIU)/Local 888/Inspectors
Library	Fitchburg Public Library Staff Association
Middle Managers	Fitchburg Association of Managers, Administrators and Specialty Skills Group (FAMASS)
Paraprofessionals	Fitchburg Education Association
Police	Fitchburg Police Union
Retirees	Retired State, County and Municipal Employees Association, RSCMEA
School/Nurses	Fitchburg School Nurses Association
School Administrators	Fitchburg School Administration Association, UNIT B
Teachers	Fitchburg Education Association
Wastewater	Service Employees International Union (SEIU)/Local 888/Wastewater

**Article 5, Composition of and Approval by the PEC, continued:**

**Section 5.2 Approval and Voting**

**Pursuant to M.G.L. Chapter 32B, §19:**

- A. The Retiree group/representative shall have a ten percent (10%) vote.
- B. The remaining ninety percent (90%) shall be divided as follows:
- Each Collective Bargaining Unit shall have a weighted percentage vote.
  - This percentage vote shall be equal to the proportion of which the number of employees eligible for health insurance under this Chapter employed in the bargaining unit s/he represents bears to the total number of employees eligible for health insurance in all bargaining units of the political subdivision (City of Fitchburg).
  - Any Agreement with the City must be approved by seventy percent (70%) of the votes cast by the representatives on the Public Employee Committee.
- C. Future unions that organize under M.G.L. c. 150E shall be allowed to become voting members at the next scheduled meeting of the PEC. Voting percentages shall be adjusted consistent with Section 19.

**ARTICLE 6**  
**COMMITTEE MEETINGS**

The City and the PEC shall meet as necessary to maintain the health benefits of its members. Either the City or the PEC may call a meeting of the PEC, provided that the City or the PEC shall give reasonable notice for the initial meeting between the two (2) Parties and shall give no less than seven (7) calendar days' notice of any subsequent meetings between the City and the PEC. This Provision shall be waived only if both Parties agree to a date other than previously stated.

It is agreed that one (1) member of the Committee from each Bargaining Unit be allowed time off without loss of pay, and that notification of time off be provided to the respective department head/administrator, for PEC meetings, in addition to his/her vacation, personal and union and/or contractual leave time.

**ARTICLE 7**  
**DISPUTE RESOLUTION AND ARBITRATION**

**Section 7.1 Grievance**

The City or the PEC may seek arbitration, and if the City or PEC elects to submit a grievance to arbitration, it shall, within ten (10) calendar days thereafter, request the American Arbitration Association to provide a panel of Arbitrators. Said Arbitrator is then to be selected under the Provisions of the Voluntary Labor Arbitration Rules.

**Section 7.2 Arbitration Fees and Expenses**

The fees of the American Arbitration Association and of the Arbitrators and the expenses of any required hearing shall be shared equally by the City and the PEC; however, each Party shall bear the expense of its representatives, participants, witnesses and for the preparation and representation of its own case. The obligation of the City to pay shall be limited to the obligation that the City may legally undertake and in no

**Article 7, Dispute Resolution and Arbitration, Section 7.2, continued:**

event shall any present or future member of the City have any personal obligation for payment under the Provisions of this Agreement.

**Section 7.3 Arbitrator's Authority**

The Arbitrator's award shall be in writing and shall set forth his/her finding of fact with reasoning and conclusion. S/he shall arrive at his/her decision solely upon the facts, evidence and contentions as presented by the Parties through the arbitration proceeding. The Arbitrator shall have no power to add to, subtract from or modify any terms of this Agreement, shall have no power to render a decision which conflicts with or is contrary to law. In reaching his/her decision, the Arbitrator shall interpret the Agreement in accordance with the commonly accepted meaning of words used herein and the principle that there are no restrictions intended on the rights or authority of the City, other than those expressly set forth herein. Subject to the foregoing, and subject to the appellate provisions of M.G.L. c. 150C., the decision of the Arbitrator shall be submitted to the City and to the PEC and shall be final and binding upon the City, the PEC and the members of the bargaining units.

**ARTICLE 8**  
**ELIGIBILITY**

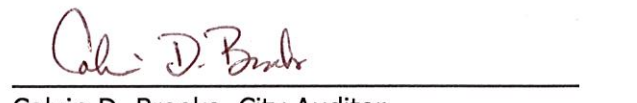
The Parties agree that benefit eligibility for active employees, their dependents and survivors and for retired employees, their dependents and survivors shall be governed by the Provisions of M.G.L. c. 32B.




In witness thereof, the Parties hereto cause this instrument to be executed in their names and on their behalf by the duly authorized Officers thereto this 26<sup>st</sup> day of June in the year 2017.


**For the City of Fitchburg**

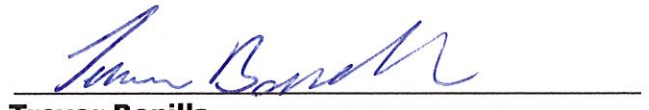
  
\_\_\_\_\_  
Mayor Stephen L. DiNatale

  
\_\_\_\_\_  
Calvin D. Brooks, City Auditor  
Held City Treasurer Position during Negotiations


  
\_\_\_\_\_  
Susan A. Davis  
Acting Director of Human Resources

**For Fitchburg Public Employee Committee**

  
\_\_\_\_\_  
**Janet Holstrom**  
American Federation of State, County and Municipal Employees

  
\_\_\_\_\_  
**Trevor Bonilla**  
Fitchburg Association of Managers, Administrators and Specialty Skills Group (FAMASS)

  
\_\_\_\_\_  
**Timothy Xenakis**  
Fitchburg Education Association/Custodians

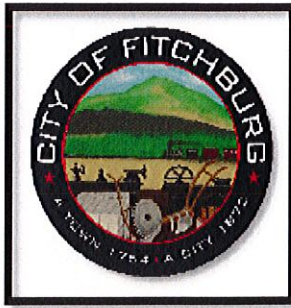
  
\_\_\_\_\_  
**Sue Flynn**  
Fitchburg Education Association/Paraprofessionals

  
\_\_\_\_\_  
**Kim Bellio**  
Fitchburg Education Association/Teachers

  
\_\_\_\_\_  
**Edward Suarez**  
Fitchburg Permanent Firefighters Association

  
\_\_\_\_\_  
**Robert Raboin**  
Fitchburg Police Union

  
\_\_\_\_\_  
**Charlie Parillo**  
MA Laborers District Council/Local 39



**For Fitchburg Public Employee  
Committee, continued:**

*Marcia Ladd*

**Marcia Ladd**  
Fitchburg Public Library

*Donna Goodchild*

**Donna Goodchild**  
Fitchburg Public Schools Clerical Association

*Malcolm Lillie Jr.*

**Malcolm Lillie Jr.**  
Fitchburg School Nurses Association

*Martha Clark*

**Martha Clark**  
Fitchburg School Administrators Association

*Roberta Phelan*

**Roberta Phelan**  
Fitchburg School Cafeteria Workers

*Bruce Laitinen*

**Bruce Laitinen**  
SEIU/Local 888/Wastewater Treatment

*Jean-Francois Leblanc*

**Jean-Francois Leblanc**  
SEIU/Local 888/Inspectors Union

Refused to Sign

**Gerry McHugh**  
Retired, State, County and Municipal Association

*Terry Parker*

**Terry Parker**  
Teamsters Local 170/Civilian Police Dispatchers and  
Airport Linemen

**FITCHBURG**  
*Massachusetts*



## SUPPLEMENT A

### Massachusetts General Law, Chapter 32B, Section 19

#### Health carriers; contracts; public employee committees; agreements with public authorities; transfer of subscribers to commission

Section 19. (a) Notwithstanding any other provision of this chapter, the appropriate public authority of a political subdivision which has undertaken to provide health insurance coverage to its subscribers by acceptance of any other section of this chapter may instead elect to provide health insurance coverage to all its subscribers pursuant to this section by entering into contracts with health insurance carriers or by transferring its subscribers to the commission under subsection (e). For the purposes of this section, the term "subscribers" shall mean employees, retirees, surviving spouses and dependents of the political subdivision and may include employees, retirees, surviving spouses and dependents of a district who previously received health insurance benefits through the political subdivision accepting this section. This section shall take effect in a political subdivision upon its acceptance in the following manner: in a county, except Worcester county, by a vote of the county commissioners; in a city having Plan D or a Plan E charter, by majority vote of the city council and approval by the manager; in any other city, by majority vote of the city council and approval by the mayor; in a town, by vote of the board of selectmen; in a regional school district, by vote of the regional district school committee; and in all other districts, by vote of the registered voters of the district at a district meeting.

Acceptance of this section shall not take effect until a written agreement has been reached between the appropriate public authority and the public employee committee, but the written agreement may condition acceptance of this section upon the transferring of subscribers into the commission under subsection (e).

A written agreement to transfer subscribers to the commission under this section shall be the sole means by which the subscribers of a political subdivision may be transferred to commission coverage.

Notwithstanding subsection (c) of section 4B of chapter 4, the acceptance of this section may be revoked in the same manner it was accepted in accordance with all other subsections of section 4B of said chapter 4, subject to the requirements of any written agreements as provided in this section and chapter 150E. The revocation of this section shall not take effect until a written agreement providing for revocation is reached between the appropriate public authority and the employee committee established herein. Nothing in this section shall preclude an appropriate public authority from agreeing to establish a health and welfare trust fund under section 15.

Except as otherwise provided in subsection (e), a contract with a health insurance carrier shall be in conformity with an agreement reached by an appropriate public authority and a public employee committee. The election by the appropriate public authority may be renewed in conformity with any successor agreement reached with a public employee committee. The public employee committee shall include a representative of each collective bargaining unit with which the political subdivision negotiates under chapter 150E and a retiree representative. Either the public employee committee or the appropriate public authority may convene the initial meeting of the committee at any time upon 7 days' notice. Either the public employee committee or the appropriate public authority may convene any subsequent meeting with notice of not less than 3 business days. The retiree representative shall be designated by the Retired State, County and Municipal Employees Association. The retiree representative shall have a 10 per cent vote. The remaining 90 per cent vote shall be divided so that each collective bargaining unit represented on the public employee committee shall have a weighted vote equal to the proportion which the number of employees eligible for health insurance under this chapter employed in the bargaining unit he represents bears to the total number of employees eligible for health insurance in all bargaining units of the political subdivision. An agreement with the appropriate public authority shall be approved by a majority of the weighted votes of the representatives on the public employee committee and shall be binding on all subscribers and their representatives. For the purposes of this section, a health insurance carrier shall include any insurance company organized pursuant to chapter 175, hospital service corporation organized pursuant to chapter 176A, medical service corporation organized pursuant to chapter 176B, health maintenance organization organized pursuant to chapter 176G, preferred provider organization organized pursuant to chapter 176I and, in the case of a political subdivision which is partially or fully self-insured with respect to health insurance coverage, any third party administrator selected by the political subdivision, which may include, but shall not be limited to, a health insurance carrier.

An agreement approved under this section shall be binding on all active and retired employees for whom health insurance coverage is being purchased, shall supersede any conflicting provision of a collective bargaining agreement and shall not be superseded in a statutory impasse proceeding under chapter 150E, but the agreement may include

**M.G.L. c 32B, §19, continued:**

procedures for resolving an impasse in negotiations for a successor agreement. A dispute arising over the interpretation or application of the public employee committee agreement under this section may be submitted to binding arbitration under the labor arbitration provisions of the American Arbitration Association upon request of the public employee committee or the appropriate public authority, except as otherwise provided in subsection (f). A request shall be approved by 70 per cent of the weighted votes of the representatives on the public employee committee as set forth in this section or, where applicable, by a majority vote of the appropriate public authority. A political subdivision which elects to provide health insurance coverage to subscribers under this section shall be deemed in full compliance with this chapter regulating the procurement of health insurance. A political subdivision which elects to provide health insurance coverage under this section pursuant to an agreement approved by a public employee committee, may provide such coverage either as a single political subdivision or, under section 12, through joint purchase with other political subdivisions or, with multiple political subdivisions, through a risk-sharing pool, trust or health insurance carrier or third party administrator, or by making payments to a health and welfare trust fund to provide health insurance coverage under this section either as a single political subdivision or with multiple political subdivisions. The appropriate public authority may contract with a health insurance carrier for direct coverage of subscribers for whom the carrier's geographic service area provides appropriate access and coverage for other subscribers in accordance with subsection (d).

(b) Nothing in this section shall require, preclude or permit a change in any aspect of health insurance coverage for subscribers authorized by this section except where an agreement to provide for such change is reached by an appropriate public authority and a public employee committee in an agreement entered into or modified after the effective date of this subsection except as otherwise provided in subsection (e). In the absence of a successor agreement approved under this section, the prior agreement of the public employee committee and the appropriate public authority regarding the provision of health insurance shall remain in effect.

(c) Nothing in this section shall relieve a political subdivision from providing health insurance coverage to an employee, retiree, surviving spouse or dependent to whom it has an obligation to provide coverage under any other provision of this chapter.

(d) The agreement reached between an appropriate public authority and the public employee committee shall provide for those subscribers who, by reason of residence or domicile, cannot be appropriately served within the service area of the health insurance carrier included in the agreement, subject to this subsection.

Coverage for subscribers under this subsection shall be pursuant to and in conformity with the agreement required by this section and shall conform to all requirements of this section. The agreement reached between an appropriate public authority and the public employee committee shall provide that a subscriber who for reasons of residency is not eligible for enrollment in any such plan offered by a political subdivision shall be covered under a plan offered under chapter 176I, if any such plan is provided for under the agreement, but a subscriber who lives 10 miles or more from the nearest primary care physician providing care under the plan shall have out-of-pocket payments and medical deductibles limited to the amount that he would have paid had he utilized the network of medical services of the plan offered under chapter 176I. If the agreement reached between the appropriate public authority and the public employee committee provides for only health maintenance organizations or other health insurance carriers that limit enrollment to a particular geographic area, then notwithstanding any general or special law to the contrary, health maintenance organizations or other health insurance carriers shall provide for the coverage of services provided or arranged for all subscribers who do not reside within the geographic service area by providing the same benefit schedule and premium contribution provided to subscribers residing within the carrier's geographic service area including, but not limited to, covered services, out-of-pocket payments and medical deductibles for all medical services provided for or arranged under the agreement.

(e) Where an agreement, either executed or modified, reached by an appropriate public authority and the public employee so provides, the appropriate public authority shall notify the commission that it will transfer all subscribers for whom it provides health insurance coverage to the commission. The notice shall be provided to the commission by the appropriate public authority on or before December 1 of each year for the transfer of subscribers to the commission effective the following July 1, or on or before July 1 of each year for the transfer of subscribers to the commission effective the following January 1. On the effective date of the transfer, the health insurance of all subscribers, including elderly governmental retirees previously governed by section 10B of chapter 32A and retired municipal teachers previously governed by section 12 of chapter 32A, shall be provided through the commission for all purposes and governed under this section. As of the effective date and for the duration of this transfer, subscribers transferred to the commission's health insurance coverage shall receive group health insurance benefits determined exclusively by the

**M.G.L. c 32B, §19, continued:**

commission and the coverage shall not be subject to collective bargaining, except for contribution ratios which shall be determined by the written agreement.

*[Second paragraph of subsection (e) effective until July 1, 2015. For text effective July 1, 2015, see below.]*

Subscribers transferred to the commission who are eligible or become eligible for Medicare coverage shall transfer to Medicare coverage, as prescribed by the commission. In the event of transfer to Medicare, the political subdivision shall pay any Medicare part B premium penalty assessed by the federal government on retirees, spouses and dependents as a result of enrollment in Medicare part B at the time of transfer into the Medicare health benefits supplement plan. For each subscriber's premium and the political subdivision's share of that premium, the subscriber and the political subdivision shall furnish to the commission, in such form and content as the commission shall prescribe, all information the commission deems necessary to maintain subscribers' and covered dependents' health insurance coverage. The appropriate public authority of the political subdivision shall perform such administrative functions and process such information as the commission deems necessary to maintain those subscribers' health insurance coverage including, but not limited to, family and personnel status changes, and shall report all changes monthly to the commission. In the event that a political subdivision transfers subscribers to the commission under this section, subscribers may be withdrawn from commission coverage at either 3 or 6-year intervals from the date of transfer of subscribers to the commission, as determined by the written agreement which shall specify the withdrawal interval and withdrawal procedures. The written agreement may specify the procedures for resolving an impasse in negotiations over whether to withdraw from commission coverage and for determining health insurance coverage and contribution ratios for subscribers for the year following withdrawal from the commission. In the event that binding arbitration is included in the written agreement, the agreement shall provide that the dispute shall be submitted to arbitration and, if no method of arbitration is provided in the agreement, then the dispute shall be administered by the American Arbitration Association under the procedures set forth in its Labor Arbitration Rules.

*[Second paragraph of subsection (e) as amended by 2015, 46, Sec. 56 effective July 1, 2015. See 2015, 46, Sec. 216. For text effective until July 1, 2015, see above.]*

Subscribers transferred to the commission who are eligible or become eligible for Medicare coverage shall transfer to Medicare coverage, as prescribed by the commission. In the event of transfer to Medicare, the political subdivision shall pay any Medicare part B premium penalty assessed by the federal government on retirees, spouses and dependents as a result of enrollment in Medicare part B at the time of transfer into the

Medicare health benefits supplement plan. For each subscriber's premium and the political subdivision's share of that premium, the subscriber and the political subdivision shall furnish to the commission, in such form and content as the commission shall prescribe, all information the commission deems necessary to maintain subscribers' and covered dependents' health insurance coverage. The appropriate public authority of the political subdivision shall perform such administrative functions and process such information as the commission deems necessary to maintain those subscribers' health insurance coverage including, but not limited to, family and personnel status changes, and shall report all changes monthly to the commission. In the event that a political subdivision transfers subscribers to the commission under this section, subscribers may be withdrawn from commission coverage after an initial 3-year period from the date of transfer of subscribers to the commission, at whole-year intervals determined by the written agreement which shall specify the withdrawal interval and withdrawal procedures; provided, however, that such whole-year intervals shall not be less than 2 years in length. The written agreement may specify the procedures for resolving an impasse in negotiations over whether to withdraw from commission coverage and for determining health insurance coverage and contribution ratios for subscribers for the year following withdrawal from the commission. In the event that binding arbitration is included in the written agreement, the agreement shall provide that the dispute shall be submitted to arbitration and, if no method of arbitration is provided in the agreement, then the dispute shall be administered by the American Arbitration Association under the procedures set forth in its Labor Arbitration Rules.

*[Third paragraph of subsection (e) effective until July 1, 2015. For text effective July 1, 2015, see below.]*

The decision and notice to withdraw shall be made by October 1 of the year prior to the effective date of withdrawal. All withdrawals shall be effective on July 1 following the political subdivision's notice to the commission. Except as otherwise provided in the written agreement, withdrawal from commission coverage shall revoke acceptance of this section and any written agreements related to the implementation of this section as of the effective date of withdrawal. In the event that the acceptance of this section is revoked, the appropriate public authority of the political subdivision shall abide by all commission requirements for effectuating such withdrawal, including the notice requirements in this subsection. In the

**M.G.L. c 32B, §19, continued:**

event a political subdivision withdraws from commission coverage under this section, such withdrawal shall be binding on all subscribers, including those subscribers who, prior to the transfer to the commission, received coverage from the commission under sections 10B and 12 of chapter 32A and, after withdrawal from the commission, those subscribers who received coverage from the commission under said sections 10B and 12 of said chapter 32A shall not pay more than 25 per cent of the cost of their health insurance premiums.

*[Third paragraph of subsection (e) as amended by 2015, 46, Sec. 57 effective July 1, 2015. See 2015, 46, Sec. 216. For text effective until July 1, 2015, see above.]*

The decision and notice to withdraw shall be made by December 1 of the year prior to the effective date of withdrawal. All withdrawals shall be effective on July 1 following the political subdivision's notice to the commission. Except as otherwise provided in the written agreement, withdrawal from commission coverage shall revoke acceptance of this section and any written agreements related to the implementation of this section as of the effective date of withdrawal. In the event that the acceptance of this section is revoked, the appropriate public authority of the political subdivision shall abide by all commission requirements for effectuating such withdrawal, including the notice requirements in this subsection. In the event a political subdivision withdraws from commission coverage under this section, such withdrawal shall be binding on all subscribers, including those subscribers who, prior to the transfer to the commission, received coverage from the commission under sections 10B and 12 of chapter 32A and, after withdrawal from the commission, those subscribers who received coverage from the commission under said sections 10B and 12 of said chapter 32A shall not pay more than 25 per cent of the cost of their health insurance premiums.

In the event of revocation of acceptance of this section, the political subdivision and public employee unions shall return to governance of negotiations of health insurance under chapter 150E and this chapter on the effective date of withdrawal from commission coverage, to negotiate healthcare coverage for subscribers thereafter.

*[First paragraph of subsection (f) effective until July 1, 2015. For text effective July 1, 2015, see below.]*

(f) To the extent authorized under chapter 32A, the commission shall provide group coverage of subscribers' health claims incurred after transfer to the commission. The claim experience of those subscribers shall be maintained by the commission in a single pool and combined with the claim experience of all covered state employees and retirees and their covered dependents, including those subscribers who previously received coverage under sections 10B and 12 of chapter 32A.

*[First paragraph of subsection (f) as amended by 2015, 46, Sec. 58 effective July 1, 2015. See 2015, 46, Sec. 216. For text effective until July 1, 2015, see above.]*

(f) To the extent authorized under chapter 32A, the commission shall provide group coverage of subscribers' health claims incurred after transfer to the commission. The claim experience of those subscribers shall be maintained by the commission in a single pool and combined with the claim experience of all covered state employees and retirees and their covered dependents, including those subscribers who previously received coverage under sections 10B and 12 of chapter 32A. Upon a written request by the mayor, town manager or the public employee committee of a political subdivision, the commission shall provide the political subdivision with its claims history from the previous year, which shall include, but not be limited to, the following information: (i) subscriber count; (ii) covered lives count; (iii) total paid medical claims; and (iv) total paid prescription drug claims. The commission may charge a fee for providing the data in an amount determined by the executive director, which shall not be greater than \$1,000. The commission shall provide a detailed data response to such request within 60 days.

Notwithstanding any general or special law to the contrary, a political subdivision that self-insures its group health insurance plan under section 3A and has a deficit in its claims trust fund at the time of transferring its subscribers to the commission and the deficit is attributable to a failure to accrue claims which had been incurred but not paid may capitalize the deficit and amortize the amount over 10 fiscal years in 10 equal amounts, or on a schedule providing for a more rapid amortization. Except as provided otherwise herein, subscribers eligible for health insurance coverage under subsection (e) shall be subject to all of the terms, conditions, schedule of benefits and health insurance carriers as employees and dependents as defined by section 2 and commission regulations. The commission shall determine all matters relating to subscribers' group health insurance rights, responsibilities, costs and payments, excluding contribution ratios, and obligations, including but not limited to, the manner and method of payment, schedule of benefits, eligibility requirements and choice of health insurance carriers and these matters shall be determined exclusively by the commission and shall not be subject to collective bargaining, the written agreement under subsection (a) or to arbitration

**M.G.L. c 32B, §19, continued:**

under the agreement. The commission may issue rules and regulations consistent with this section and shall provide public notice of any proposed rules and regulations and notice of thereof at the request of interested parties, together with an opportunity to review those rules and regulations and an opportunity to comment on those proposed rules and regulations in writing and at a public hearing, but the commission shall not be subject to chapter 30A.

The commission shall negotiate and purchase health insurance coverage for subscribers transferred under subsection (e) and shall promulgate regulations, policies and procedures for coverage of the transferred subscribers. The schedule of benefits available to transferred subscribers shall be determined by the commission pursuant to chapter 32A. The commission shall offer those subscribers the same choice as to health insurance carriers and benefits as those provided to state employees and retirees. The political subdivision's contribution to the cost of health insurance coverage for transferred subscribers shall be as determined under this section, and shall not be subject to the provisions on contributions in said chapter 32A. Any change to the premium contribution ratios shall become effective on July 1 of each year, with notice to the commission of such change not later than January 15 of the same year.

A political subdivision that transfers subscribers to the commission shall pay the commission for all costs of its subscribers' coverage, including administrative expenses, and the governmental unit's cost of subscribers' premium. The commission shall determine on a periodic basis the amount of premium which the political subdivision shall pay to the commission. If the political subdivision unit fails to pay all or a portion of these costs according to the timetable determined by the commission, the commission may inform the state treasurer who shall issue a warrant in the manner provided by section 20 of chapter 59 requiring the respective political subdivision to pay into the treasury of the commonwealth as prescribed by the commission the amount of the premium and administrative expenses attributable to the political subdivision. The state treasurer shall recoup any past due costs from the political subdivision's cherry sheet under section 20A of chapter 58 and transfer that money to the commission. If a governmental unit fails to pay to the commission the costs of coverage for more than 90 days and the cherry sheet provides an inadequate source of payment, the commission may, at its discretion, cancel the coverage of subscribers of the political subdivision. If the cancellation of coverage is for nonpayment, the political subdivision shall provide all subscribers health insurance coverage under plans which are the actuarial equivalent of plans offered by the commission in the preceding year until there is an agreement with the public employee committee providing for replacement coverage.

The commission may charge the political subdivision an administrative fee, which shall not be more than 1 per cent of the cost of total premiums for the political subdivision, to be determined by the commission which shall be considered as part of the cost of coverage for purposes of determining the contributions of the political subdivision and its employees to the cost of health insurance coverage by the commission.

(g) Any agreement reached between the political subdivision and the public employee committee, including an agreement to transfer subscribers to the group insurance commission, shall provide that within the same health insurance coverage plan the percentage contributed by the political subdivision to the premium or cost of health insurance coverage shall be the same for all subscribers covered under this section. These payments shall differ only by the type of coverage elected under the plan, including individual, family, optional Medicare extension or other coverage selections; but the percentage contributed by the political subdivision may vary among the different health insurance coverage plans offered under the agreement reached between the political subdivision and the public employee committee. The agreement reached shall provide that the percentage contributed by the political subdivision to the premium or cost of at least 1 Medicare extension plan available to all eligible subscribers shall be not less than the minimum percentage contributed by the political subdivision to any other health insurance coverage plan offered under the agreement reached. Any political subdivision that accepts this section shall establish by agreement with the public employee committee a contribution by the political subdivision to the premium or cost of health insurance coverage that provides for at least 50 per cent but not more than 99 per cent. Notwithstanding this subsection, where there is an agreement to transfer subscribers to the commission, subscribers whose coverage was governed by section 10B or 12 of chapter 32A before the date that the written agreement is executed, shall not be required to contribute more than 25 per cent of their health insurance premiums, but the written agreement may provide for a premium contribution paid by these subscribers of less than 25 per cent.

(h) If there is a revocation of acceptance or a withdrawal from the commission under this section, all retirees, their spouses and dependents insured or eligible to be insured by the political subdivision, if enrolled in Medicare part A at no cost to the retiree, spouse or dependents, shall be required to be insured by a Medicare extension plan offered by the political subdivision under section 11C or section 16. A retiree shall provide the political subdivision, in such form as the political subdivision shall prescribe, such information as is necessary to transfer to a Medicare extension plan. If a retiree

**M.G.L. c 32B, §19, continued:**

does not submit the information required, he shall no longer be eligible for his existing health insurance coverage. The political subdivision may from time to time request from a retiree, a retiree's spouse and dependents, proof certified by the federal government of his eligibility or ineligibility for Medicare part A and part B coverage. The political subdivision shall pay the Medicare part B premium penalty assessed by the federal government on those retirees, spouses and dependents as a result of enrollment in Medicare part B at the time of transfer into the Medicare health benefits supplement plan.

(i) In the absence of a public collective bargaining unit, the chief executive officer of a municipality may authorize the transfer of subscribers to the commission.

(j) Notwithstanding any other general or special law to the contrary, in the event that an agreement, either executed or modified, was reached by an appropriate public authority and the public employee committee to transfer all subscribers, for whom the authority provides health insurance coverage, to the commission under subsections (e) and (f), its retirees, surviving spouses and their dependents may enroll in the dental insurance plan provided by the commission to retirees, surviving spouses and their dependents insured under chapter 32A, at premium contribution ratios that requires retirees, surviving spouses and their dependents to contribute 100 per cent of the dental insurance premium and administrative fee. The commission shall provide dental insurance coverage, under its plan for retirees, surviving spouses and their dependents insured under chapter 32A, to retirees, surviving spouses and their dependents who elect the coverage under this subsection, as it so provides health insurance coverage under subsections (e) and (f). The commission may charge an administrative fee, which shall not be more than 1 per cent of the cost of total dental insurance premiums for the retirees, surviving spouses and their dependents who enroll in the dental insurance plan under this section, to be determined by the commission which shall be considered as part of the cost of coverage for purposes of determining the contributions of the political subdivision and its retirees, surviving spouses and their dependents to the cost of insurance coverage by the commission.