

CF

Health

MCP JULY 12-25, 1994

Santa Cruz County Supervisors Abandon Self-Insurance Health Care Fund

Employee Union Still Negotiating Changes

by Mary Bryant

Facing escalating demands for service and dwindling reserve fund balances, Santa Cruz County Supervisors voted to dissolve their self-insurance health care plan for county workers instead of attempting to find millions of dollars to keep up with coverage costs. In place of the plan, Supervisors voted to throw their lot in with the state's pool of insured employees, better known as the California Public Employees' Retirement System (CalPERS) Basic Health Plans.

The CalPERS program has been heralded by national leaders as a model for health care reformists, a mix of commercial health insurance plans that emphasize coverage provided by managed care or health maintenance organizations.

However, county leaders must first secure the support of employee unions prior to the transition, a job that is already partly done.

Representatives of the county's association for management employees agreed to the proposal, but leaders of the county's employee union are withholding approval until final details are negotiated.

Tim McCormick of the Service Employees International Union said talks with County Administrative Officer Susan Mauriello had stalled on the issue of what party was going to be responsible for paying the first month's premium to the state plan. McCormick said that presently premiums for coverage are collected at the end of the month, a concern that becomes important for employees contributing for extended or family coverage plans.

McCormick added that county leaders had also not satisfactorily addressed the state's exclusion of domestic partners from employee benefits. While

county leaders have agreed to pay employees affected by the state's policy an amount equal to the county's contribution for the benefit, McCormick does not believe this dollar value sufficient for employees to purchase like private health care insurance.

"PERS does not allow by statute domestic partners," McCormick said. "The county has a contractual obligation for domestic partners, they have a philosophical commitment to domestic partners, but if we switch to the county plan there is really no guaranteed right to domestic partner coverage. ... That is not acceptable."

Mauriello said she hoped the talks would soon conclude.

"We had hoped to finish them up by June 30, and we were close but they didn't agree," Mauriello said. "The Board [of Supervisor members] basically sent us away and said to send them your last, best and final offer. ... They accept or we go to unilateral implementation of plan changes on August 2. ... We are still in negotiation with them."

Santa Cruz County employees represent about 2,000 insured lives and is one of the largest single groups of workers in the