

## Negotiations Update: Benefits Information (CY 2027–2029)

Hi folks,

The following pages contain the benefits information that has been agreed to in principle for calendar years 2027–2029. I also recorded a [Toni's Take](#) to walk you through what's in this document, so if you think that would be helpful, feel free to listen to me go through each piece while reading. Before you review the details and tables below, here are highlights of a few key points.

- The Gold and Blue Plans have been eliminated.
- The University will offer three medical plan options: PPO80, PPO70, and a new High-Deductible Health Plan (HDHP90) paired with a Health Savings Account (HSA).
- Dental, vision, and life insurance benefits have been enhanced.
- Throughout negotiations, our goal was to structure compensation and benefits so that members do not experience a reduction in overall compensation and see a net financial gain over the life of the agreement.

I want to address the Gold Plan directly because none of the proposed plans align with it. We recognize that the elimination of the Gold Plan will be disappointing for those currently enrolled in it. We worked hard to preserve that option, but doing so would have required substantially higher employee costs while also increasing costs to the University. Ultimately, neither side believed that maintaining the Gold Plan under those circumstances was in the best interests of either employees or the institution.

In addition to the PPO80 plan, which most closely resembles the current Blue Plan, the University will now offer a PPO70 option and a High-Deductible Health Plan (HDHP90) paired with a Health Savings Account. For those unfamiliar with HSAs, they allow pre-tax contributions, have higher contribution limits than FSAs, permit unlimited rollover from year to year, and remain yours if you retire or leave the University. In addition, the University will contribute \$500 annually for single coverage and \$1,000 annually for family coverage.

The proposal also includes enhancements to dental, vision, and life insurance benefits. Those changes are summarized below and described in greater detail in the accompanying tables.

For ease of comparison, I have included a supplemental table comparing current plans with the proposed PPO80 plan. Additionally, PPO70 and HDHP90 are less expensive than PPO80, so members selecting those plans will generally see lower premium costs than those reflected in the PPO80 comparison.

As with any health insurance plan, individual experiences will vary based on salary level, plan selection, and healthcare utilization. The examples provided are intended to illustrate premium costs and plan design changes but cannot predict individual healthcare expenses.

Although we do not typically share the evolution of proposals during negotiations, members should understand that the Administration's opening proposal would have resulted in employee contribution rates that were approximately six percentage points higher than those ultimately agreed to in principle. One of our primary goals throughout bargaining was to prevent healthcare costs from outpacing compensation increases. Through extensive negotiations, we were able to substantially reduce the Administration's original proposal and secure a benefits

## Healthcare Proposal

structure designed to preserve and improve overall compensation over the life of the agreement. While reasonable people may disagree about individual plan preferences, we believe the final package represents a substantially better outcome than the University's initial proposal.

While we have reached agreement in principle on compensation and benefits, negotiations continue on the remaining provisions of Articles 16 and 17. We will provide additional updates as soon as tentative agreements are reached.

## Summary of Key Changes

### Medical

- Gold and Blue Plans eliminated
- PPO80, PPO70, and HDHP90 offered beginning in CY2027
- With the HDHP plan, the University will make an annual contribution to your HSA of \$500 (single) / \$1,000 (family)

### Dental

- Basic services coinsurance reduced from 30% to 20%
- Annual benefit limit increased from \$1,250 to \$1,500 per covered individual
- Orthodontia lifetime maximum increased from \$1,000 to \$1,250
- Employee contribution remains unchanged

### Life Insurance

- University-provided life insurance maximum increased from a maximum \$100,000 to \$200,000
- Expanded dependent life insurance option

### Vision

- Annual eyewear benefit rather than every two years
- Increased annual benefit limit and flexibility

## Benefits Plan Description

### 1. Medical & Prescription Drug Plan Design CY 27-29

Medical / Prescription Drug	Current Plans – In-Network		Proposed Plan Design – In-Network (2027-2029)		
	Gold	Blue	PPO 80	PPO 70	HDHP 90
Deductible Single	\$400	\$600	\$600	\$1,500	\$2,500
Deductible Family	\$800	\$1,200	\$1,200	\$3,000	\$5,000
Out-of-Pocket Max Single	\$2,500	\$4,500	\$4,500	\$6,000	\$4,500
Out-of-Pocket Max Family	\$5,000	\$9,000	\$9,000	\$12,000	\$9,000
Coinsurance	15%	25%	20%	30%	10%

## Healthcare Proposal

Office Visit Copays	Current Plans – In-Network		Proposed Plan Design – In-Network		
PCP	\$25	\$30	\$30	\$35	10% after deductible
Specialist	\$35	\$45	\$45	\$60	10% after deductible
Urgent Care	\$50	\$70	\$50	\$75	10% after deductible
Emergency Room	\$100	\$140	\$150	\$175	10% after deductible
Prescription Drug Copays	Current Plans – In-Network		Proposed Plan Design – In-Network		
Retail-Generic	\$10	\$12	\$10	\$15	10% after deductible
Retail - Preferred	25% max \$70	30% max \$85	30% max \$75	30% max \$100	10% after deductible
Retail – Non-Preferred	35% max \$85	40% max \$125	40% max \$100	40% max \$125	10% after deductible
Specialty	30% max \$125	35% max \$150	30% max \$150	30% max \$200	10% after deductible
Mail - Generic	\$25	\$30	\$25	\$40	10% after deductible
Mail- Preferred	25% max \$175	30% max \$225	30% max \$190	30% max \$250	10% after deductible
Mail – Non-Preferred	35% max \$175	40% max \$250	40% max \$250	40% max \$315	10% after deductible
HSA (UA Contribution)	NA	NA	NA	NA	\$500 single/ \$1,000 family

## 2. Annual Premium Equivalent (TOTAL ANNUAL COST OF PLAN) using CY 2026

Using **current premium levels**, members enrolled in the Gold Plan would generally pay less under PPO80 than under the current Gold Plan. Members enrolled in the Blue Plan would generally pay more under PPO80 than under the current Blue Plan, although negotiated salary increases are projected to offset those increases. PPO70 and HDHP90 generally have lower employee premium costs than PPO80.

Premium	Current Plans		Proposed Plans <sup>1</sup>		
	GOLD	BLUE	PPO80	PPO70	HDHP90
<b>EE</b>   Employee Only	\$10,344	\$9,432	\$9,816	\$8,892	\$9,264
<b>ES</b>   Employee + Spouse	\$20,700	\$18,876	\$19,644	\$17,784	\$18,540
<b>EC</b>   Employee + Child(ren)	\$19,644	\$17,904	\$18,636	\$16,872	\$17,592
<b>F</b>   Family (Employee + Spouse + Child(ren))	\$30,000	\$27,348	\$28,464	\$25,752	\$26,868

<sup>1</sup> Because the new plans will begin in January 2027, these will likely go up a small percentage as they do every year based on healthcare trends.

### 3. Annual Employee Contribution for PPO80 Example Year 1 using CY 2026

SALARY RANGE	CURRENT GOLD		CURRENT BLUE		PROPOSED PPO 80	
<b>EE</b>						
44,000-54,999	18%	\$1,862	10.1%	\$950	15%	\$ 1,472.40
55,000-74,999	19%	\$1,965	11.2%	\$1,053	16%	\$ 1,570.56
75,000-101,999	20%	\$2,069	12.3%	\$1,157	17%	\$ 1,668.72
102,000-134,999	21%	\$2,172	13.4%	\$1,260	18%	\$ 1,766.88
135000+	23%	\$2,379	15.6%	\$1,467	20%	\$ 1,963.20
<b>ES</b>						
44,000-54,999	18%	\$3,726	10.1%	\$1,902	15%	\$ 2,946.60
55,000-74,999	19%	\$3,933	11.2%	\$2,109	16%	\$ 3,143.04
75,000-101,999	20%	\$4,140	12.3%	\$2,316	17%	\$ 3,339.48
102,000-134,999	21%	\$4,347	13.4%	\$2,523	18%	\$ 3,535.92
135000+	23%	\$4,761	15.6%	\$2,937	20%	\$ 3,928.80
<b>EC</b>						
44,000-54,999	18%	\$3,536	10.1%	\$1,796	15%	\$ 2,795.40
55,000-74,999	19%	\$3,732	11.2%	\$1,992	16%	\$ 2,981.76
75,000-101,999	20%	\$3,929	12.3%	\$2,189	17%	\$ 3,168.12
102,000-134,999	21%	\$4,125	13.4%	\$2,385	18%	\$ 3,354.48
135000+	23%	\$4,518	15.6%	\$2,778	20%	\$ 3,727.20
<b>F</b>						
44,000-54,999	18%	\$5,400	10.1%	\$2,748	15%	\$ 4,269.60
55,000-74,999	19%	\$5,700	11.2%	\$3,048	16%	\$ 4,554.24
75,000-101,999	20%	\$6,000	12.3%	\$3,348	17%	\$ 4,838.88
102,000-134,999	21%	\$6,300	13.4%	\$3,648	18%	\$ 5,123.52
135000+	23%	\$6,900	15.6%	\$4,248	20%	\$ 5,692.80

**NOTE:** For members selecting PPO70 or HDHP90, premium contributions will generally be lower than those shown for PPO80.

### 4. Employee Contributions Medical & Prescription Drug CY27-29<sup>2</sup>

Employee premium contributions for PPO80 increase by 2 percentage points annually over the life of the agreement. Employee contributions for PPO70 and HDHP90 are determined relative to PPO80 and therefore vary with overall plan costs.

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*The Administration's initial healthcare proposal would have required employee contribution rates approximately six percentage points higher than those reflected here. The contribution structure shown in these tables reflects improvements secured through bargaining.*

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<sup>2</sup> This table represents the employee percentage of the total annual premium of the chosen healthcare plan. In other words, this is the percentages that corresponds to our out-of-pocket expense.

Salary Range	PPO 80			PPO 70 illustrative*			HDHP 90 illustrative* <sup>3</sup>		
	2027	2028	2029	2027	2028	2029	2027	2028	2029
\$44,000-\$54,999	15%	17%	19%	6.17%	8.38%	10.58%	9.94%	12.05%	14.17%
\$55,000-\$74,999	16%	18%	20%	7.27%	9.48%	11.69%	10.99%	13.11%	15.23%
\$75,000-\$101,999	17%	19%	21%	8.38%	10.58%	12.79%	12.05%	14.17%	16.29%
\$102,000-\$134,999	18%	20%	22%	9.48%	11.69%	13.89%	13.11%	15.23%	17.35%
\$135,000+	20%	22%	24%	11.69%	13.89%	16.10%	15.23%	17.35%	19.47%

## 5. Dental

- a. Plan Design: Decrease employee coinsurance for basic services 10%, increase orthodontia lifetime max \$250, and increase annual limit per person \$250.
- b. Employee Contribution: Status quo 15%

Dental plan design	Current	Proposed
Deductible (single/family)	\$50 / \$100	\$50 / \$100
Annual limit (per person)	\$1,250	\$1,500
Preventive coinsurance	0%	0%
Basic coinsurance	30%	20%
Major restorative coinsurance	50%	50%
Orthodontic services		
•Children up to 19 only	Yes	Yes
Orthodontia coinsurance	50%	50%
Orthodontia lifetime limit	\$1,000	\$1,250
Employee Contribution	Current	Proposed
Employee Contribution	15%	15%

## 6. Life Insurance

Item to Consider as an enhanced benefit or savings to UA or Employee	Cost / Savings to EE
Increase University provided life insurance from 2x annual salary up to \$100,000 to <b>\$200,000 maximum</b> .	Increased benefit by up to \$100,000. Only cost to employee is taxes on amounts over \$50,000 as required by the IRS.
Remove option to waive coverage and eliminate any credits to employee paychecks for a waiver.	Eliminate any credit to employee's pay for waiving coverage.
Increase dependent life from spouse/child(ren) options of \$2,500/5,000 and \$5,000/10,000 to one option of \$15,000/20,000.	<b>\$2.52 per month</b> . Better benefit for better rate. Previously \$1.68 and \$3.36.
Separate supplemental life in addition to the University provided plan. 1x – 5x up to \$1M max/guarantee issue \$500k.	No increase in cost to employees. Coverage will be separate and above the UP coverage.

<sup>3</sup> HDHP90 includes a University HSA contribution of \$500 (single) or \$1,000 (family), which should be considered when comparing costs across plans

## 7. Vision

Increase benefit of at least <b>\$140</b> for glasses on <b>annual basis</b> instead of bi-annually.	
<b>Increased benefit of \$110 annually</b> to use toward the benefit most valuable to the member.	
<b>Monthly Cost</b>	
Employee	\$12.98 (increase of \$5.85)
Employee + One	\$25.98 (increase of \$11.72)
Employee + Family	\$37.96 (increase of \$17.00)