



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

Raad Building, PO Box 47500 □ Olympia, Washington 98504-7500 □ (360) 725-5100

September 30, 2022

Sent via email only

TO: David Schumacher, Director
Office of Financial Management

FROM: Michaela Doelman, Chief Human Resources Officer *MD*
State Human Resources Division

**SUBJECT: OFFICIAL 2023-25 COLLECTIVE BARGAINING SUBMITTAL FOR
K-12 HEALTHCARE**

This memorandum serves as the official collective bargaining status report and submittal for the 2023–25 contract period, per RCW 41.56.500 and 41.59.105. Below is summary-level detail on the School Employees Benefits Board (SEBB) program K-12 negotiated health care agreement.

Health care

The state reached a health care agreement with the coalition of K-12 unions. For benefits during the plan years beginning January 1, 2024, and January 1, 2025, the employer medical contribution will be maintained at 85% of the monthly premium (and no less than \$600) for the self-insured School Employees Benefits Board (SEBB) Uniform Medical Plan (UMP) Achieve 2 plan. Employees will contribute the balance of the premium. The parties also agreed to bargain the impacts of any plan changes in the UMP Achieve 2 plan that have the net effect of shifting health care costs from employers to plan participants.

The parties agreed to an additional monthly contribution of \$6 on behalf of each eligible employee for health care benefits for the plan years beginning January 1, 2024, and January 1, 2025. Any amount in the enacted budget that reduces member costs will be applied to offset this additional contribution.

Attachment: Financial Submittal

cc: Emily Beck, Deputy Director, OFM
Nona Snell, Assistant Director, OFM Budget
Roselyn Marcus, Assistant Director, OFM Legal & Legislative Affairs
Kelly Woodward, Deputy Assistant Director, OFM State HR
Diane Lutz, Section Chief, Labor Relations, OFM State HR

2023-25 Cost of K-12 SEB Health Care Coalition Negotiations

OFM, State Human Resources Division

	General Fund-State \$		Other Funds \$		Total \$		2023-25
	FY2024	FY2025	FY2024	FY2025	FY2024	FY2025	Biennial
School Employee Health Care Funding Collective Bargaining Agreement - RCW 41.56.500 & 41.59.105	\$140,179,000	\$211,240,000	\$0	\$0	\$122,189,000	\$207,719,000	\$329,908,000
<i>Labor Relations Negotiations</i>							
Tentative agreement total ¹	140,179,000	211,240,000	-	-	140,179,000	211,240,000	351,419,000

¹ Health care assumptions from the Health Care Authority SPM 3.0 model.

The following funding rates are required to meet the 85% employer / 15% employee cost share agreed to in the collective bargaining agreement:

FY 2024: \$1,097 per employee, per month

FY 2025: \$1,180 per employee, per month