

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding between the City of Bend Employees Association (Association) and the City of Bend (City) is for the purpose of memorializing the agreement between the parties as it relates to the modification of health insurance benefits.

Recitals:

- A. The parties have participated in a joint labor-management insurance committee for purpose of providing plan recommendations to the City.
- B. The Insurance Committee submitted their annual recommendations on April 26, 2017.
- C. The City Manager has reviewed the proposed recommendations and authorized implementation of plan amendments with the terms contained herein.

The parties do agree as follows:

- 1. The City will continue to provide telemedicine coverage from First Stop Health for one additional year. The City will cover the full premium cost of coverage.
- 2. The existing MODA incentive dental plan will be terminated and will be replaced with the MODA dental plan with the "100% preventative option".
- 3. The existing provider network for the PacificSource plan entitled "PacificSource PSN" will be terminated and replaced with the "PacificSource Smartchoice" network. All remaining terms of the medical, vision, and prescription insurance remain unaltered per the current terms of the CBA.
- 4. Both AirLink and Life Flight voluntary insurances will be terminated and replaced with the MASA Medical Transport Solutions. Employees will continue to be responsible for the entire cost of this voluntary supplemental benefit, if elected during open enrollment.
- 5. The City will continue to provide the existing level of hearing aid coverage that was expanded for the 2016 plan year.
- 6. These modifications to coverages are being provided on a trial basis for the insurance plan year 2017 (8/1/2017-7/31/2018). The Insurance Committee will evaluate the performance and cost effectiveness of each

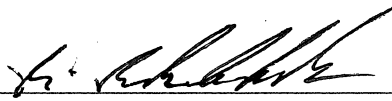
and provide a report to the City Manager for 2018 insurance plan renewal analysis.

7. The provisions of this MOU are not intended to change any other provisions, past practice, or policies nor to set precedent if these provisions affect other provisions, practice, or policy. All other Articles and terms of the CBA shall continue without interruption for the term thereof.
8. This agreement expires on July 31, 2018 or at the discretion of the City, if sooner.
9. This agreement does not require ratification of the respective parties.
10. This agreement is valid upon execution below.

This Memorandum of Understanding is effective this 4th day of May, 2017.



Rob DuValle, HR Director
City of Bend



Brice Blackwelder, President
City of Bend Employees Association