

**MEMORANDUM OF AGREEMENT  
FOR BARGAINING UNITS 2, 3, 4, AND 13  
COLLECTIVE BARGAINING AGREEMENTS  
EFFECTIVE JULY 1, 2011 THROUGH JUNE 30, 2013**

This MEMORANDUM OF AGREEMENT is entered into this 28 day of June, 2011, by and between the Hawaii Government Employees Association, AFSCME, Local 152, AFL-CIO, hereinafter called the UNION, and the State of Hawaii, the Hawaii Health Systems Corporation, the Judiciary, the City and County of Honolulu, the County of Hawaii, the County of Maui, and the County of Kauai, hereinafter called the EMPLOYER, as defined in the HRS §89-6.

WHEREAS, Tentative Agreements dated April 6, 2011 were reached during negotiations of the collective bargaining agreements covering Employees in bargaining units 2, 3, 4, and 13 effective July 1, 2011 through June 30, 2013.

NOW THEREFORE, the UNION and the EMPLOYER mutually agree that this MEMORANDUM OF AGREEMENT shall be used to implement the Tentative Agreements reached and the collective bargaining agreements referenced herein, effective July 1, 2011 through June 30, 2013.

The UNION and the EMPLOYER agree that the terms and conditions of the collective bargaining agreements between the UNION and the EMPLOYER effective July 1, 2009 to, and including, June 30, 2011 for bargaining units 2, 3, 4, and 13 are incorporated without change in the respective collective bargaining agreements for the period July 1, 2011 to, and including, June 30, 2013 except for the changes set forth below:

**BU 2**

Article 52      Hawaii Employer-Union Health Benefits Trust Fund  
Article 54      Duration

**BU 3**

Article 54      Hawaii Employer-Union Health Benefits Trust Fund  
Article 56      Duration

**BU 4**

Article 52      Hawaii Employer-Union Health Benefits Trust Fund  
Article 54      Duration

**BU 13**

Article 52      Hawaii Employer-Union Health Benefits Trust Fund  
Article 54      Duration

IN WITNESS WHEREOF, the UNION and the EMPLOYER by their authorized representatives have executed this MEMORANDUM OF AGREEMENT.

STATE OF HAWAII

HAWAII GOVERNMENT EMPLOYEES  
ASSOCIATION, LOCAL 152, AFSCME,  
AFL-CIO

By Neil Abernethy  
Its Governor

By Ry R.  
Its Executive Director

Neil J.  
Its Chief Negotiator

[Signature]  
Its Budget and Finance Director

[Signature]

COUNTY OF HAWAII

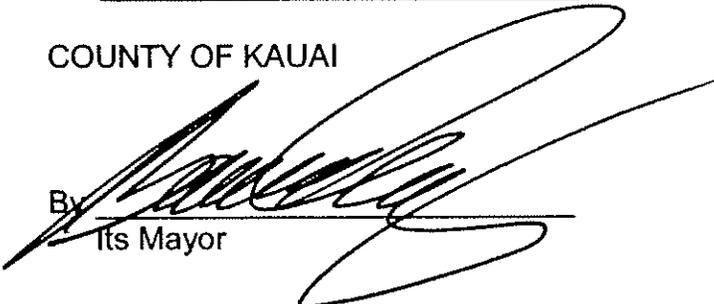
By [Signature]  
Its Mayor

[Signature]

COUNTY OF MAUI

By \_\_\_\_\_  
Its Mayor

COUNTY OF KAUAI

By  \_\_\_\_\_  
Its Mayor

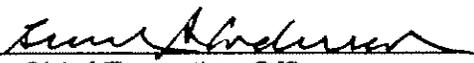
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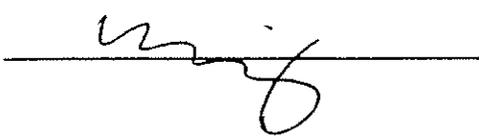
CITY AND COUNTY OF HONOLULU

By \_\_\_\_\_  
Its Mayor

\_\_\_\_\_

HAWAII HEALTH SYSTEMS CORPORATION

By  \_\_\_\_\_  
Its Chief Executive Officer

 \_\_\_\_\_

JUDICIARY

By Mm Muculid  
Its Chief Justice

Du Wakabanyon

APPROVAL AS TO FORM

Law S. Hilson  
State Deputy Attorney General











- 1        e. Dual Coverage (medical, drug, chiro):  
2              (1) HMSA  
3              (2) Royal State  
4

5        3. The amounts paid by the Employer in plan year 2011-2012 for each Employee-  
6        Beneficiary with two or more dependent-beneficiaries shall be limited to those enrolled  
7        in the following family Trust Fund Health Benefit Plans:

8  
9        FAMILY BENEFIT PLAN

- 10  
11       a. Medical (PPO, HMO, or HDHP>(& chiro)  
12       b. Prescription Drug  
13       c. Dental  
14       d. Vision  
15       e. Dual Coverage (medical, drug, chiro):  
16             (1) HMSA  
17             (2) Royal State  
18

19       4. For each Employee-Beneficiary enrolled in the Trust Fund group life insurance  
20       plan, the Employer shall pay a specific dollar amount equivalent to one hundred percent  
21       (100%) of the premium rates established by the Trust Fund Board plus one hundred  
22       percent (100%) of all administrative fees in plan year 2011-2012.

23  
24       C. Effective July 1, 2012.

25  
26       Effective July 1, 2012 for plan year 2012-2013, the Employer shall pay a specific  
27       dollar amount equivalent to fifty percent (50%) of the premium rates established by the  
28       Trust Fund Board for the respective health benefit plan plus fifty percent (50%) of all  
29       administrative fees:

30  
31       1. The amounts paid by the Employer in plan year 2012-2013 for each Employee-  
32       Beneficiary with no dependent-beneficiaries shall be limited to those enrolled in the  
33       following self only Trust Fund Health Benefit Plans:

34  
35       SELF ONLY BENEFIT PLAN

- 36  
37       a. Medical (PPO, HMO, or HDHP>(& chiro)  
38       b. Prescription Drug  
39       c. Dental  
40       d. Vision  
41       e. Dual Coverage (medical, drug, chiro):  
42             (1) HMSA  
43             (2) Royal State  
44

45       2. The amounts paid by the Employer in plan year 2012-2013 for each Employee-  
46       Beneficiary with one dependent-beneficiary shall be limited to those enrolled in the

1 following two-party Trust Fund Health Benefit Plans:

2  
3 TWO-PARTY BENEFIT PLAN

- 4  
5 a. Medical (PPO, HMO, or HDHP)(& chiro)  
6 b. Prescription Drug  
7 c. Dental  
8 d. Vision  
9 e. Dual Coverage (medical, drug, chiro):  
10 (1) HMSA  
11 (2) Royal State

12  
13 3. The amounts paid by the Employer in plan year 2012-2013 for each Employee-  
14 Beneficiary with two or more dependent-beneficiaries shall be limited to those enrolled  
15 in the following family Trust Fund Health Benefit Plans:

16  
17 FAMILY BENEFIT PLAN

- 18  
19 a. Medical (PPO, HMO, or HDHP)(& chiro)  
20 b. Prescription Drug  
21 c. Dental  
22 d. Vision  
23 e. Dual Coverage (medical, drug, chiro):  
24 (1) HMSA  
25 (2) Royal State

26  
27 4. For each Employee-Beneficiary enrolled in the Trust Fund group life insurance  
28 plan, the Employer shall pay a specific dollar amount equivalent to one hundred percent  
29 (100%) of the premium rates established by the Trust Fund Board plus one hundred  
30 percent (100%) of all administrative fees in plan year 2012-2013.

31  
32 D. Rounding Employer's Monthly Contribution. - Whenever the Employer's  
33 monthly contribution (premium plus administrative fee) to the Trust Fund is less than  
34 one hundred percent (100%) of the monthly premium amount, such monthly contribution  
35 shall be rounded to the nearest cent as provided below:

36  
37 1. When rounding to the nearest cent results in an even amount, such  
38 even amount shall be the Employer's monthly contribution. For example:

- 39 (a) \$11.397 = \$11.40 = \$11.40 (Employer's monthly contribution)  
40 (b) \$11.382 = \$11.38 = \$11.38 (Employer's monthly contribution).

41  
42 2. When rounding to the nearest cent results in an odd amount, round  
43 to the lower even cent, and such even amount shall be the Employer's monthly  
44 contribution. For example:

- 45 (a) \$11.392 = \$11.39 = \$11.38 (Employer's monthly contribution)  
46 (b) \$11.386 = \$11.39 = \$11.38 (Employer's monthly contribution)

1           Employer contributions effective July 1, 2011 and July 1, 2012 shall be rounded  
2 as described in item D. after administrative fees have been determined by the Trust  
3 Fund Board

4  
5           E. The parties shall meet and negotiate the EUTF contributions effective  
6 7/1/2013; if the parties do not reach agreement, the procedures set forth in HRS Section  
7 89-9(e) and Section 89-11(g) shall apply. The Employer will continue paying a specific  
8 dollar amount equivalent to 50% of the premium rates established by the Trust Fund  
9 Board plus 50% of the administrative fees until a resolution is reached, through  
10 negotiation or determination by the Legislature, as to contributions effective on and after  
11 7/1/2013.

12  
13           F. No later than three (3) weeks after the Trust Fund Board formally  
14 establishes and adopts premium rates for Fiscal Years 2011-2012 and 2012-2013 (or  
15 for other periods should the board adopt mid-year changes), the Office of Collective  
16 Bargaining shall distribute the calculation of the Employer's monthly contribution  
17 amounts for each health benefit plan.

18  
19           G. Should the Trust Fund Board eliminate any significant portion (e.g. the  
20 elimination of prescription drug benefits in the medical plan) or part of a Trust Fund  
21 health benefit plan or adopt a new plan, this Article shall be reopened for the purpose of  
22 renegotiating the Employer's monthly contribution amounts