



Memorandum

Date: November 6, 2023

To: LCC Members and Staff

From: Michelle Yurich, Executive Director, LCC

Subject: Summary of proposed changes to the LCC Benefit Book

This summary memo is being provided in advance of the November 15 LCC meeting where you will be asked to consider approval of the proposed changes to the “Legislative Plan for Employee Benefits and Policies,” which establishes health insurance benefits, vacation and sick leave accrual policies, and numerous other benefits for legislative branch employees in the House, Senate, joint legislative offices and commissions.

The insurance, vacation, severance, and sick leave policies are effective January 1, 2024, if adopted by the LCC at its meeting on November 15. Other provisions which are at the discretion of the appointing authority are effective when they are adopted by the respective Rules Committees of the House and Senate.

The proposed changes reflect the work of a Senate, House and LCC nonpartisan staff working group. The members of the working group are provided at the end of this summary. The summary is divided into three sections: The insurance chapter, reflecting the Legislature’s participation in the State Employee Group Insurance Program (SEGIP); policy changes; and technical changes.

Insurance Chapter (pages 35-59)

Under Minnesota Statutes section 43A.18, subdivision 6, the LCC is responsible for establishing insurance coverage for staff and members of the Legislature. Because the Legislature has traditionally decided to purchase insurance coverage through the State Employee Group Insurance Program (SEGIP), the LCC must adopt the insurance coverage that will become effective January 1, 2024.

The health, dental, life, and disability benefits provisions are initially bargained through a coalition that includes exclusive representatives from all the state’s unions. Final bargaining is completed between the state and the exclusive representatives for AFSCME and MAPE. As a result, the insurance provisions themselves are generally consistent from contract to contract. However, some minimal changes for financial and benefit issues (like eligibility and modifications to state contributions) may be bargained from contract to contract.

MMB and the employee representatives negotiated the items listed below regarding insurance.

Health Insurance

1. Cost-sharing for mental health and substance use office visits will be reduced or eliminated according to the cost level of the enrollee's primary care clinic:
 - a. Cost levels 1 and 2 will have a \$0 copay and waived deductible.
 - b. Copayments for cost levels 3 and 4 will be reduced by \$20 each (meaning \$50 and \$70, respectively), and the deductible will still apply.
2. Certain medically necessary dental procedures that result from cancer treatment will now be covered under the medical plan.
3. The fertility pilot program introduced for the 2022-2023 contracts will be made permanent and expanded to members of any health plan administrator.
4. The Point of Service out-of-area benefit requiring advance manual enrollment will be eliminated. Instead, every SEGIP member will qualify for out-of-area coverage for all eligible services (the provider must still be in-network with the member's health plan administrator).
5. Effective January 1, 2025, the wellbeing incentive (\$70 deductible credit) will no longer be available.

Dental Insurance

1. The employee share of the single premium is changing from a flat rate of \$13.50 to 30% of the overall single premium.
2. The dental plan annual maximum is increasing from \$2,000 to \$2,200.
3. If an employee elects dental benefits on their own policy, dollars spent on orthodontia when the employee was a dependent of another policyholder will not be applied toward the new policy's lifetime maximum for orthodontia.

Other Insurance

1. The paid-up life benefit, tied to optional employee-paid life insurance coverage, will increase from 15% to 20% of the elected benefit level.
2. The Joint Labor-Management Committee is authorized to modify life and/or disability benefits mid-contract if jointly agreed to by labor and management, following the results of the upcoming RFPs for both products.

Medical premiums are planned to increase by 3% in CY 2024. These premiums are determined by MMB and are not negotiated.

Policy Changes

1. Expand lactation room use to include nursing children. (page 5)
2. Encourage employees to register with Everbridge to receive Capitol Security emergency messages. (page 6)
3. Recognizes that appointing authorities may develop telework policies. *Note: This change does not permit employees to telework unless the appointing authority has adopted a policy that allows telework to occur.* (page 8)

4. Adds a Legislative Break Day holiday, which occurs on the Friday before the conclusion of the legislative break. Indicates that legislative leadership will designate the day in the event of more than one legislative break. (page 9)
5. Increases the accumulated vacation balance employees can carryforward at the end of the calendar year from 275 to 300 hours. *Note: This change is requested to be effective for calendar year 2023 vacation balances.* (page 12)
6. Clarifies that employees may not use sick leave for vacation, employment or volunteer purposes. (pages 15, 19)
7. Indicates that employees may be required to provide a statement from their medical practitioner indicating ability to return to work if they use more than 24 hours of sick leave in a pay period. (page 19)
8. Permits the Senate and LCC to adopt policies permitting employees to donate vacation time to executive and judicial branch employees. *Note: This change does not authorize this to occur unless the appointing authorities adopt policies to permit it.* (page 26)
9. Limits the maximum leave donation that can be received to 1044 hours. (page 26)
10. Permits voting leave to include early voting and in-person absentee voting. Clarifies that the leave is only available during the employee's regular work schedule. (page 28)
11. Prorates paid time in excess of 32 hours per calendar year for employees serving as election judges to account for earnings as a result of serving as an election judge. (page 28)
12. Specifies that the House, Senate, and LCC are considered separate entities for the purposes of deferred compensation. (page 61)

Technical Changes

1. Changes to conform with Minn. Laws 2023, Chapter 52, by adding gender identity as a basis under which harassment and discrimination are prohibited and equal employment opportunity provisions. (pages 3, 4)
2. Edit terminology for gender neutrality. (pages 4, 33)
3. Change references to Human Resources "director" to "office" or "designee." (page 4, 19)
4. Several changes to align with Emergency Safe and Sick Time Leave provisions in Minn. Laws 2023, Chapter 53. (pages 15, 16, 17, 18, 19, 22, 29)
5. Updates parenting leave of up to "six weeks" to up to "240 hours" to align with the Paid Family Medical Leave Act, Minn. Laws 2023, Chapter 59. (pages 17, 32)
6. Clarifies that vacation leave may be used for sick leave purposes. (page 20)
7. Adds a link to Minnesota State Retirement System for information on pensions. (page 60)
8. Reflects House change from calendar year to fiscal year for deferred compensation conversion and match. (page 61)
9. Notifies employees traveling out of state that they may be subject to tax and filing requirements of the state they are traveling to. (page 65)

Please feel free to contact me at michelle.yurich@lcc.mn.gov or (651)296-2963 if you have any questions.

Benefit Book Staff Working Group

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Attached: 2024 LCC Benefit Book