

State of California

**M E M O R A N D U M**

**DATE:** November 20, 2002

**TO:** PERSONNEL MANAGEMENT LIAISONS      **REFERENCE CODE:** 2002-073

**THIS MEMORANDUM SHOULD BE DISTRIBUTED TO:**

Personnel Transactions Supervisors  
Employee Relations Officers  
Personnel Officers

**FROM:** Department of Personnel Administration  
Labor Relations Division

**SUBJECT:** Health Premium Adjustment for Bargaining Units 1, 3, 4, 9, 11, 14,  
15, and 20

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In accordance with negotiated agreements, the State of California has agreed to Health Premium Adjustments as follows:

**Bargaining Units 1, 3, 4, 11, and 15**

Effective with the December 2002 pay period and continuing through the May 2003 pay period, the employee share of health premium cost for eligible R01, R03, R04, R11, and R15 employees will be reduced. Eligibility will be based on the State Controller's Office Health Benefit enrollment as of December 16, 2002.

This monthly "offset" will be based on the employee's party code as follows:

1 party	\$8
2 party	\$16
3 party (family)	\$21

This offset will be identified on the employee's paycheck in the deductions column as \* HEALTH ADJ. On the payment records, the offset will be identified as Deduction Organization code 354-050.

If an eligible employee separates from State service or transfers out of the aforementioned units during this 6-month period, the employee will receive a lump sum cash-out of the unpaid money. For example, if the offset has been applied for two months at \$16 for party code 2 and the employee then transfers to an ineligible unit, the employee will receive a lump sum adjustment of \$64 (4 months x \$16).

**Bargaining Units 9, 14, and 20**

Eligible R09, R14, and R20 employees will receive a lump sum health benefit adjustment for employer-paid health increases they did not receive for each applicable pay period from June 2001 through November 2001. The monthly adjustment is based on the eligible employee's party code as follows:

1 party	\$8
2 party	\$16
3 party (family)	\$21

**Bargaining Unit 9**

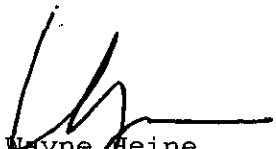
Eligible R09 employees' lump sum health benefit adjustment will also include an amount for employer-paid health increases they did not receive for each applicable pay period from December 2001 through July 2002. The monthly adjustment is based on the employee's party code as follows:

1 party	\$16
2 party	\$32
3 party (family)	\$42

The R09, R14, and R20 adjustments will be issued in a separate payment by the State Controller's Office in early December 2002. The payment will be labeled **DED ADJ** in the earnings column and the adjustment amount will appear in the deductions column as **\*HEALTH ADJ**. On payment records, the Payment Type is P and the adjustment is Deduction Organization Code 354-050.

**Details of the Bargaining Unit 13 Health Premium Adjustment agreement will be announced in a future PML.**

If you have any questions, please have your Personnel Office staff contact Frances Low or Bob Losik, Labor Relations Officers at the Department of Personnel Administration.

  
Wayne Heine  
Assistant Chief of Labor Relations