

**ESTIMATED COST OF THE COLLECTIVE BARGAINING AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND MLEA**

July 1, 2023 – June 30, 2025

I. Bargaining Unit Composition

Total Number of Employees: 808

II. Biennial Summary of Costs (All Agencies and All Funds)

Employee Costs	Biennial Base	Biennial New Money
Salaries	169,980,988	14,868,280
FICA and Retirement	49,840,068	4,359,523
Insurance	39,171,222	1,360,274
TOTAL	258,992,278	20,588,077

The Hubinger Number is 7.95%, which represents the Biennial New Money as a percentage of the Biennial Base at the beginning of Fiscal Year 2024.

The Merriam Number is 11.82%, which represents the growth in the Biennial Base over the term of the contract.

III. Wages

Five and one-half percent (5.50%) general wage increase effective July 1, 2023. Employees whose rate of pay is at or over the new maximum rate are not eligible for this increase.

Four and one-half percent (4.50%) general wage increase effective July 1, 2024. All employees are eligible for this wage increase.

Progression step increases averaging 4.3% are available to employees in both fiscal years on the employee's anniversary date. Employees at the maximum rate of their salary range are not eligible for progression step increases. Approximately 40.7% of employees are eligible for progression step increases during the fiscal year. Progression step increases are delivered on an annual basis.

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND MLEA**

July 1, 2023 – June 30, 2025

IV. Insurance

1. Medical plan:

- a. Effective January 1, 2024, cost-sharing for mental health and substance use office visits will be reduced or eliminated according to the enrollee's PCC cost level:
 - i. Cost levels 1 and 2 will have a \$0 copay and waived deductible.
 - ii. Copayments for cost levels 3 and 4 will be reduced by \$20 each (meaning \$50 and \$70, respectively), and the deductible will still apply.
- b. Effective January 1, 2024, certain medically necessary dental procedures that result from cancer treatment will now be covered under the medical plan.
- c. Effective January 1, 2024, the fertility pilot program introduced in the most recent contract will be made permanent and expanded to members of any health plan administrator.
- d. Effective January 1, 2024, 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 (provider must still be in-network with the member's health plan administrator).
- e. Effective January 1, 2025, the wellbeing incentive (\$70 deductible credit) will no longer be offered.

2. Dental plan:

- a. Effective January 1, 2024, the employee share of the single premium is changing from a flat rate of \$13.50 to 30% of the overall single premium.
- b. Effective January 1, 2024, the dental plan annual maximum is increasing from \$2,000 to \$2,200.
- c. Effective January 1, 2024, 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.

3. Other:

- a. Effective upon contract ratification, in the event of the death of a pre-65 former state employee out on early retirement through CERP, the surviving family members will continue to receive the employer contribution toward insurance that was in place at the time of the retiree's passing.
- b. Effective January 1, 2024, the paid-up life benefit for optional life insurance, which is fully employee-paid, will increase from 15% to 20% of the policy amount.