LINDA LINGLE GOVERNOR OF HAWAII



## STATE OF HAWAII OFFICE OF COLLECTIVE BARGAINING EXECUTIVE OFFICE OF THE GOVERNOR

235 S. BERETANIA STREET, SUITE 1201 HONOLULU, HAWAII 96813-2437 MARIE C. LADERTA CHIEF NEGOTIATOR

HAROLD DeCOSTA
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UNIVERSITY OF HAWAII
PROFESSIONAL ASSESSED

June 13, 2007

J. N. Musto, Executive Director University of Hawaii Professional Assembly 1017 Palm Drive Honolulu, Hawaii 96814-1928

Re: Article XXII, Hawaii Employer-Union Health Benefits Trust Fund

Dear Mr. Musto:

Thank you for your letter dated May 7, 2007 regarding the above-referenced Article, which is contained in the 2003-2009 Agreement between the State of Hawaii/Board of Regents and the University of Hawaii Professional Assembly. Please be advised that pursuant to this Article, the State agrees to pay for members of bargaining unit 7 the highest dollar amount contribution per month that is being paid for any other bargaining unit for the comparable health insurance plan coverage. This will apply for each of the benefit plans and be based on comparable tiering structures (e.g., self, 2-party, 3+-family).

We will advise the EUTF of the State's position so that any necessary rate adjustments can be made for bargaining unit 7 members. The open enrollment period for this bargaining unit will be extended.

Also, the State acknowledges that due to the six-year term of the Agreement between the State of Hawaii/Board of Regents and the University of Hawaii Professional Assembly, Article XXII, Section E of the contract was included to accommodate the possibility of higher employer contributions being negotiated by other bargaining units. However, this provision will not be considered in future contracts if the term of said contract is comparable to agreements negotiated with other bargaining units.

Please feel free to contact me should you have any questions. Thank you very much.

MARIE C. LADERTA

Chief Negotiator

c: Georgina Kawamura, Director, B&F Jim Williams, Executive Director, EUTF Brenna Hashimoto, System Director, OHR, UH