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City of Palo Alto/SEIU, Local 521 Negotiations | 2024

CITY PROPOSAL on Long Term Disability

October 17, 2024

ARTICLE XIV – BENEFITS

Section 5 – Long Term Disability Insurance.

~~The City shall continue the long term disability insurance plan currently in effect for the term of this Memorandum of Agreement. Employees shall be enrolled in Option 1 (Default) for long term disability insurance and may elect to enroll in Option 2 (Buy-up).~~

- Option 1 (Default): This benefit provides 60% of pre-disability earnings up to a maximum benefit level of \$4000.00 per month. Coverage is subject to payroll deduction of the required insurance premium. Employees pay 50% of the required insurance premium and the City will pay the remaining 50% of the required insurance premium.
- Option 2 (Buy-up): This benefit provides 66 and 2/3% of pre-disability earnings up to a maximum benefit level of \$7000.00 per month. Coverage is subject to a payroll deduction of the insurance premium. The City will contribute an amount equal to 50% of the premium for Option 1, employees will pay the remainder of the required premiums.

~~For Plan A, the benefit is 66 and 2/3% of pre disability earnings to the maximum benefit level of \$4000.00 per month. Employee coverage is subject to a voluntary payroll deduction of the insurance premium applicable to the first \$6,000 of monthly salary, less a credit of \$11.17 per month to be paid by the City. For Plan B, the benefit is 60% of pre-disability earnings up to the maximum benefit level of \$1800 per month. Employee coverage is subject to a voluntary payroll deduction of the insurance premium applicable to the first \$2000 of monthly salary for Plan B. The City will pay premiums in excess thereof.~~

MEK 11/6/24
Luzh

RJ 11/6/24
CND
11/1/24