

# BALTIMORE COUNTY LABOR'S HEALTH CARE REVIEW COMMITTEE

305 West Chesapeake Ave. • Suite L 30 • Towson, MD • 21204  
HCRC Chairman, John E. Ripley • Office #410-296-1875 • Office Fax # 410-296-1879 • Cell # 443-668-4883

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In 2007, Baltimore County government implemented a 2-tier healthcare subsidy system; one for those hired before 7-1-2007 and another for those hired after. Not only did this result in many post-2007 employees paying more for healthcare while actively employed, but it also involved them paying much more for healthcare in retirement. This group receives a flat dollar amount “stipend” subsidy for all pre-Medicare healthcare instead of a normal percentage-based subsidy given to pre-2007 retirees.

For many years, the priority for the labor members of the HCRC has been to eliminate this 2-tier system and return to one set of subsidies for all employees, both while employed and into retirement.

**I am pleased to announce that during this year's healthcare negotiations, the Olszewski Administration has agreed to end this bifurcated system and return post-07 employees to the same subsidy rates as pre-07 employees.** This includes during both active service, and in retirement. Under this agreement, these changes will take effect on January 1st, 2025.

The examples below show the difference in premium amounts for pre and post 07 employees under the current system. These differences will be eliminated under this agreement. The amounts below are based on 2023 rates, but will certainly trend higher in 2025 due to inflation. Furthermore, the county has also agreed to no structural changes to the healthcare plans in calendar years '24 and '25. This includes changes such as increases to copays or reductions in covered services.

Also included in this agreement is a technical adjustment to Medicare subsidies for post 07 retirees. In recent years Baltimore County has contracted with a private Medicare administrator which has resulted in increased benefits and lower premiums. Due to these reduced costs for our retirees, the subsidy amount has to be adjusted accordingly so it doesn't exceed the actual cost of the benefit. This change will affect members in the future when they reach Medicare eligibility at age 65.

On February 16th, the labor representatives of the HCRC voted unanimously to approve this agreement and send it to our individual member groups for ratification.

Should you have any questions about this agreement, feel free to contact your labor group's representative from the healthcare review committee.

**Cigna Open Access In-Network Plan:**

Pre-'07 Family Plan: \$173.39 bi-weekly

Post-'07 Family Plan: \$289.43 bi-weekly

Annual difference paid by post '07 group: **\$3017.04** (Will be eliminated under this proposal)

**Kaiser Permanente:**

Pre-'07 Family Plan: \$174.67 bi-weekly

Post-'07 Family Plan: \$291.56 bi-weekly

Annual difference paid by post '07 group: **\$3039.14** (Will be eliminated under this proposal)