



# County of San Diego

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**LETTER OF UNDERSTANDING  
BETWEEN THE  
COUNTY OF SAN DIEGO  
AND THE  
SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 221, CLC  
(AE, CL, FS, MM, PR, PS AND SS UNITS)**

**HEALTHCARE REIMBURSEMENT ACCOUNT (HRA)**

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- I. This attests to and records the agreement of the parties to amend the Memorandum of Agreement (MOA) regarding Employee Benefits.
- II. The intent of this amendment is to establish a Healthcare Reimbursement Account to mirror the current Flexible Spending Account.

**ARTICLE 9. EMPLOYEE BENEFITS**

**Section 2. Insurance/Flexible Benefits Plan**

**A. Flexible Benefits Plan**

1. **Plan Design.** The flexible benefits plan is a cafeteria-style benefits program wherein the County makes a contribution towards the Flexible Benefits Plan for each eligible employee to be allocated during the employee's active employment. The County contribution is distributed by the employee among the menu of benefit options listed below, the specific details and administration of which are set forth in the plan brochures:
  - a. **"Core" Benefits:**
    - Health Insurance
    - County basic life and AD&D Insurance
  - b. **Optional Benefits:**
    - Dental insurance
    - Vision insurance
    - Supplemental life insurance

- Supplemental accidental death and dismemberment insurance (AD&D)
- Flexible Spending Accounts for pre-tax reimbursement of qualified medical and/or dependent day care expenses. Account credits must be used during the plan year in which they are earned for expenses incurred during the same plan year.
- Healthcare Reimbursement accounts for pre-tax reimbursement of qualified medical expenses.
- The plan may be modified upon written notice by the County

This plan includes for eligible employees pre-tax contributions for all monies paid toward health, dental, vision and/or voluntary AD & D plans.

2. Coverage.

c. Proof of Coverage: Employees who submit satisfactory "Proof of Health Insurance Coverage" may elect not to be covered by the County's health insurance plans. This election may only be made during the County's open enrollment period or during the year as the result of a qualifying "change in status" as defined by Section 125 of the Internal Revenue Code. For employees waiving primary participation in a County-sponsored health plan, the County's contribution will be deposited into the employee's Flexible Spending Account and/or their Healthcare Reimbursement Accounts for pre-tax reimbursement of qualified medical expenses not to exceed \$4,999.99 per calendar year. Account credits must be used during the plan year in which they are earned for expenses incurred during the same plan year.

III. This amendment is contingent upon adoption of an amendment to the County Compensation Ordinance by the County Board of Supervisors.

FOR THE COUNTY OF SAN DIEGO

SERVICE EMPLOYEES INTERNATIONAL  
UNION, LOCAL 221, CLC (AE, CL, FS, MM,  
PR, PS AND SS UNITS)



BRAD RANKIN  
Deputy Director, Human Resources

Date: 9-9-14



DAVID GARCIAS  
President

Date: 9/17/2014