



## ASEA/AFSCME Local 52 Health Benefits Trust

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### IMPORTANT NOTICE

November 9, 2018

To: Members in good standing

The ASEA/AFSCME Local 52 Health Benefits Trust provides valuable benefits to members of the General Government Unit (GGU) of the State of Alaska and to employees of ASEA/AFSCME Local 52. Recently, other public sector unions have approached our Health Trust to ask if their participants could bargain into our health plan. They see how our trust has been able to control costs, while offering a high level of benefits and reasonable employee contribution rates.

The ASEA/AFSCME Local 52 Health Benefits Trust Board of Trustees will review each request to determine if it makes sense to allow the group to join our trust. The advantage for our members is that we can spread fixed costs among more people, reducing our per employee administrative costs. We can also spread the risks over a larger group. We will consider the makeup of each group, their claims experience, and whether their reserves and contribution rates will fund their claims costs.

Public Safety Employees Association (PSEA), a sister AFSCME Union, has asked to join the Trust. PSEA currently operates their own trust of about 800 members spread throughout Alaska with very similar claim experience to our own. As a condition of joining our trust they have asked for a seat on the Board of Trustees for a PSEA representative. This is a reasonable request and we expect any other large group joining this Trust would ask for similar representation.

The ASEA/AFSCME Local 52 Health Benefits Trust board is made up of six trustees who are elected from the ASEA membership. In order to expand the board, it is necessary to modify Article III of the Trust agreement, which requires the vote of our membership.

#### **We request consideration of the following changes:**

- Allow the addition of up to three additional board positions, at the discretion of the ASEA/AFSCME Local 52 Health Benefits Trust Trustees. We seek to maintain the six GGU-elected trustees, so that a majority of the board is elected by ASEA/AFSCME members.
- Specify that the GGU Trustee election candidates must be members in good standing of ASEA/AFSCME Local 52 at the time of election. This is an important clarification in the wake of the Janus decision.

#### **What would not change:**

- Six GGU Trustee positions would still be elected from among the membership, as they are now. These would continue to be made up of two Statewide positions, one Central Region, one Southeast Region, one Northern Region and one Rural/Bush Region position.

Attached is a copy of the proposed revisions to Article III of the Trust Agreement. The ASEA/AFSCME Local 52 Executive Board has endorsed the proposal to amend Article III, and we ask that you vote to approve these changes.

Voting will take place in an electronic poll on the Health Trust website, [www.aseahealth.org](http://www.aseahealth.org), from November 12<sup>th</sup> to noon (AKT) on December 11<sup>th</sup>.

Please review the reverse side of this letter for voting instructions.

**VOTING will take place from Monday November 12<sup>th</sup> to noon (AKT) on Tuesday December 11<sup>th</sup>.**

**VOTING INSTRUCTIONS:**

**Electronic Polling**

- Review the proposed revisions to Article III of the Trust Agreement. You can view the current Trust Agreement at [www.aseahealth.org](http://www.aseahealth.org); click on **More** at the top of the homepage; under **More Trust Info**, click on **Running for Trustee**; at the bottom of that page, click on **Trust Agreement**.
- When you are ready to record your vote, click on **Electronic Poll** from the homepage, at the top of the left margin.
- You will be asked:

**Do you approve the revision to Article III of the Trust Agreement for the ASEA/AFSCME Local 52 Health Benefits Trust as recommended by the Board of Trustees and the ASEA/AFSCME Local 52 Executive Board?**

- Yes, I approve**
- No, I do not approve**

**A Paper Vote**

If you would prefer a paper ballot, contact the polling monitor, Sramek-Hightower CPA at 907-677-3320. Your ballot must be completed and returned to Sramek-Hightower CPAs by noon on Tuesday December 11<sup>th</sup>.

**NOTE:**

Online and paper ballots will only be available to ASEA members in good standing.

**The polling will close at noon (AKT) on Tuesday December 11<sup>th</sup>. The votes will be tallied, and the results will be posted to the ASEA Health Trust website.**

**If you have any questions, please contact the Trust Office at 866-553-8206; or send your questions or comments via Contact Us on the ASEA Health Trust website [www.aseahealth.org](http://www.aseahealth.org)**